

LABOR FACT BOOK 5

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FOREWORD

Labor Fact Book V contains entirely new material not included in the four earlier volumes of this series and covers events since *Labor Fact Book IV* was issued in the fall of 1938.

The present volume was prepared at the end of 1940, but in view of the swift pace of events, facts and figures on some later developments have been covered before going to press in order to give the reader the benefit of the latest data available. The reader should bear in mind the fact that the record in this book, with the few exceptions noted, runs back only to the end of 1938, and that comparable material for earlier years will be found in our previous *Fact Books*. In some cases we have cross referenced the current material to an earlier volume, but in most cases the reader will have to assume that the data for the earlier years are given in the appropriate place in the previous books.

There has been room for only a few references to the many volumes, reports, surveys and periodicals from which the facts and figures have been derived. We shall of course be glad to give any reader, on request, the source for any fact or figure cited in the text.

Main chapter headings are similar to those in previous *Fact Books*. In the present volume, however, no separate chapter covers "Labor Abroad." Material on conditions of workers in several foreign countries is included as one of the chief sections of the chapter on war, the aim being to give a picture of the position of labor in the main belligerent countries since the international conflict began.

We are indebted to a number of devoted volunteer research workers who have aided greatly in the preparation of this volume. We are grateful also for the help and advice given by various officers of the American Federation of Labor and the Congress of Industrial Organizations as well as for assistance on certain chapters extended by the International Labor Defense, American Civil Liberties Union, International Juridical Association, Farm Research, Inc., American Association for Social Security Inc., American Peace Mobilization,

Group Health Federation of America, the U. S. Department of Agriculture and the U. S. Bureau of Labor Statistics.

Labor Research Association has been engaged since 1927 in conducting studies of economic, social and political problems in the interest of the labor and progressive movement. Its studies have been issued in the form of books dealing with specific industries and regions, always stressing the conditions of workers and their organizations and problems.

It has also prepared the popular pocket-size manuals: *Arsenal of Facts*, *Youth Arsenal of Facts*, and *Trade Union Facts*. In addition to these it has edited many pamphlets dealing with industrial and economic topics.

Regular monthly bulletins issued by the Labor Research Association include *Economic Notes*, *Labor Notes*, and *Railroad Notes*. Some of the data in the present volume are kept up to date in these mimeographed periodicals.

An important phase of the Association's work in recent years has been its special service to trade unions engaged in wage movements and collective bargaining negotiations. The material of the Association is now used by hundreds of unions and labor journals.

Secretaries of unions and other organizations in the field are invited to write us when in need of research service of any type. We would appreciate also receiving official periodicals, convention proceedings, news releases, and other publications which may aid us in our service to the labor and progressive movement. Address inquiries, communications and subscriptions to

LABOR RESEARCH ASSOCIATION
80 EAST 11TH ST., NEW YORK CITY.

April, 1941.

FROM DEPRESSION TO WAR BOOM

THE PERIOD since 1938 has been one of tremendous economic as well as political significance. In the three years 1938-40 the economic antagonisms between the leading capitalist nations led to the spreading of the second imperialist world war in Europe and Africa. The war actually started with the German-Italian invasion of Spain in 1936 and the Japanese invasion of China in 1937. A new and more critical stage of the conflict began with the Nazi march into Poland in September, 1939.

Since then the world war has been the dominating influence on the American economy. Now, more than ten years after the Wall Street crash and after a long period of unsuccessful effort to overcome the basic contradictions of the profit system, American capitalists and the Roosevelt administration have turned to war as a means, temporarily at least, of solving the problem of idle machines and idle men. By embarking on a gigantic armament program they hope to pull themselves out of the general crisis of capitalism which began in the first imperialist world war of 1914-1918.

TREND SINCE 1937

After the crisis during the latter part of 1937 (see *Labor Fact Book IV*), American industry entered 1938 at a low rate of activity. The business decline from the summer of 1937 to the spring of 1938 was very sharp, but did not reach the depths of the prolonged crisis and depression of 1929-33. This was mainly because the 1937-38 decline was not world-wide and because many of the deflationary factors of the former period were not present. For example, organized labor, led by the CIO and aided by labor laws passed through the efforts of the unions, prevented serious and general wage reductions.

Government spending and the benefits of social legislation enacted before 1937 served also as a cushion to soften the crisis.

Even so, industrial production in early 1938 dropped so low that steel, for example, was operating at below 50% of capacity. The revised Federal Reserve Board index of industrial production, which is now based on 1935 to 1939 as 100, dropped to a low of 80 in May, 1938, compared with an average level of 113 in 1937.

In spite of the sharp decline in industrial production in 1937-38 consumption of goods was fairly well maintained, thus laying the basis for some recovery which began in the summer of that year. This continued until by August, 1939, just before the outbreak of the general European war, industrial production, as measured by the FRB index, had reached a level of 104 compared with 101 at the end of 1938.

But even this pre-war peak of August, 1939, was relatively low when compared with the preceding peak in 1937 or in relation to the productive capacity of American industry. The slow recovery up to the outbreak of war was due largely to the retarding effect on American business of the uncertainties involved in the threat of war between various European powers. Despite this, however, a rise took place, because of the renewal of government spending, which had fallen off before the decline of 1937-38, and the replenishment of inventories which had been reduced sharply during that period.

The table below shows the average yearly industrial output, as measured by the new FRB index from 1929 to date, as well as by months since January, 1938. These index figures indicate the decline from 1937 to 1938 and the slow recovery that followed during 1938 and the first nine months of 1939.

With the war the entire economic picture changed toward a complete war economy. During this period the limiting factor of capitalist production—the insufficient purchasing power of the masses of people to consume what they produce—has persisted. But it has become a less important factor in the total picture, due to the armament demand which provides an enormous market for certain types of goods that can be turned out regardless of the restricted buying power of the masses.

Since August, 1939, as the table shows, there have been two periods of sharp upturn in production. The first one came immediately upon

the outbreak of hostilities when the industrial index shot up from 104 in August, 1939, to 126 in December, or by over 21%. In the following spring a recession pulled the index down to 111 in April, after which another spurt brought it up to 138 in December, 1940.

INDEX OF INDUSTRIAL PRODUCTION

(1935-1939 = 100; adjusted for seasonal variation)

Average for year *			1938	1939	1940
1929.....	110	January	86	102	122
1930.....	91	February	84	101	116
1931.....	75	March	84	101	113
1932.....	58	April	82	97	111
1933.....	69	May	80	97	115
1934.....	75	June	81	102	121
1935.....	87	July	86	104	121
1936.....	103	August	90	104	121
1937.....	113	September ...	92	113	125
1938.....	88	October	95	121	129
1939.....	108	November	100	124	132
1940.....	122	December	101	126	138

* Source: *Federal Reserve Bulletin*. Yearly averages are unadjusted for seasonal variation.

The rise in the autumn of 1939 drove production to its highest level of all time, while the second peak, reached at the end of 1940, surpassed even this record. The first rise was the immediate response of American industry to the speculative buying wave accompanying the outbreak of war. The more recent upsurge reflected the intensification of warfare in Europe with its heavy demand for American materials, and the unparalleled war program initiated by the Roosevelt administration.

RISE IN CAPITAL GOODS OUTPUT

During this entire period business activity generally has followed a course characteristic of any capitalist economy under the influence of war and near-war conditions, if allowance is made for the important special conditions characterizing the present period of general crisis as compared with those prevailing at the beginning of the first imperialist world war. The single most important feature of the economy in wartime is the marked increase in the production of

capital goods such as iron and steel, machinery, metals, railway cars and the like.

The industries for which quarterly figures (based on Federal Reserve Board monthly indexes adjusted for seasonal variation) are given for the last three years in the table below, include the largest part of total capital goods output in this country. Immediately upon the outbreak of war nearly all of them received substantial orders and since that time have operated at or close to capacity under the influence both of U. S. government's war preparations program and orders placed here by the French and British governments.

CAPITAL GOODS TREND *

(1935-1939 = 100)

Quarter	<i>Iron and steel</i>	<i>Ma- chinery</i>	<i>Air- craft</i>	<i>Railroad cars</i>	<i>Ship- building</i>	<i>Nonferrous metals</i>
1938; 1st ..	53	88	103	96	103	75
2nd ..	51	77	98	61	95	67
3rd ..	72	78	94	61	96	78
4th ..	98	86	101	68	97	100
1939; 1st ..	93	93	121	83	112	95
2nd ..	85	96	153	74	122	94
3rd ..	114	104	189	75	133	114
4th ..	163	121	239	121	141	152
1940; 1st ..	124	124	290	154	152	143
2nd ..	124	125	331	119	163	127
3rd ..	159	139	455	133	207	145
4th ..	171	154	587	167	240	170

* Although index figures in this and following tables are given in the form of quarterly averages, some of the discussion in the text is based on the separate monthly indexes from which the quarterly averages are derived.

Iron and steel output increased 50% during the four-month period from August to December, 1939, and after a temporary decline in the spring of 1940 was by fall again straining at capacity.

The machinery industries, including machine tools, electrical equipment and heavy machinery, jumped their output by 20% during the fall of 1939 and by the end of 1940 had increased it by another 30%.

The building of railroad cars showed a sharp rise despite the large supply of cars still not in use and the ability of the roads to handle

a much greater volume of traffic than at present. The shipbuilding industry in the latter part of 1940 was running about 80% ahead of its pre-war level. Aircraft and related industries, under the impact of the armament program have more than trebled their output as compared with the pre-war level and only lack of capacity has limited their production.

Nonferrous metal industries, including copper, zinc and lead, increased output over 50% during the same period. Most of these industries at the end of 1940 were at new all-time highs and their previous problem of "over-capacity," in relation to the products that people can buy, had turned into a problem of inability to deliver the goods that governments were ordering as the world war widened.

CONSUMER GOODS RISE LESS

In contrast to these unprecedented increases in capital goods the output of consumer goods has increased but little in the last year and a half. The general trends for this period and before are shown in the table below, which is based on Federal Reserve Board monthly figures, adjusted for seasonal variation.

CONSUMER GOODS PRODUCTION

(1935-1939 = 100)

Quarter	<i>Nondurable manu- factures</i>	<i>Textiles and products</i>	<i>Leather and products</i>	<i>Automobiles production</i>	<i>Furniture output</i>
1938; 1st ...	89	69	85	62	81
2nd ..	89	73	87	51	80
3rd ...	98	96	97	52	91
4th ...	102	103	102	88	96
1939; 1st ...	104	106	105	102	99
2nd ..	104	106	100	84	101
3rd ...	108	113	104	84	107
4th ...	116	124	106	103	118
1940; 1st ...	110	109	97	126	114
2nd ..	110	104	89	103	113
3rd ...	112	114	95	91	117
4th ...	119	132	104	132	125

These industries still depend largely on mass consumption, for the war orders they have received have been but a small percentage of

their peace-time output. The FRB index of nondurable goods manufactures, which includes mostly consumer goods, gained only 9% between August and December, 1939, and during 1940 showed but little further progress. The textile industry rose sharply during the speculative flurry in the fall of 1939, and during 1940 averaged only slightly higher than in 1939. During the last quarter of 1940, textile output rose sharply due largely to army orders which caused another speculative buying wave. The shoe and leather industry at the end of 1940 was actually running below the pre-war level.

The automobile industry, because of its very low inventories at the time, increased its output rapidly after war broke out, and showed an advance of about 20% in 1940 over its 1939 average. In this industry as well as in the furniture industry, both sales and production were bolstered by the fear of higher prices and the possibility that output for the regular consumer market might be restricted under the stress of war conditions.

EMPLOYMENT AND PAYROLLS

The relatively moderate rise in consumer goods was caused by the general lag in employment and payrolls in industry as a whole. Even with the enormous increase in capital goods output to meet armament demand, expansion in the consuming power of the people, due to greater employment and higher total earnings, has been relatively slight.

(1929 = 100)			
	<i>Factory employment</i>	<i>Factory payrolls</i>	<i>Wages and salaries</i>
1938; 1st quarter	86.1	69.7	79
2nd "	82.3	66.5	77
3rd "	84.8	70.0	79
4th "	89.8	78.0	82
1939; 1st "	90.4	78.7	82
2nd "	90.7	78.8	82
3rd "	94.3	82.2	84
4th "	101.4	94.2	88
1940; 1st "	98.8	90.2	88
2nd "	97.1	89.1	87
3rd "	101.2	95.2	90
4th "	108.3	107.2	94

Source: Employment and payrolls—U. S. Bureau of Labor Statistics; wages and salaries in all trade and industry—U. S. Dept. of Commerce.

After the outbreak of war, factory employment rose about 8% from August to December, 1939. Thereafter, a dip in the early months of 1940 was followed by a slow rise. So the total advance for the entire period from August, 1939, to the end of 1940 was only about 17%. The number of hours worked per week showed a small rise and wage rates also increased a little, the result being a greater expansion in total payrolls than in employment itself. This was due also to the use of a larger number of skilled workers especially in the armament industries.

Gain in employment, payrolls and wages was most pronounced in manufacturing industry. In all other industry, as well as in retail trade, transportation and other services, the rise was more moderate. The index of wages and salaries for all industry and trade, compiled by U. S. Department of Commerce, showed a rise of only about 14% from August, 1939, to December, 1940, with most of the gain shown during the first few months after the outbreak of war.

CONSUMER BUYING LIMITED

Retail sales, which reflect consumer buying power, confirm the low general level of consumer goods demand. Just after the outbreak of the war, on the first flush of speculation and fear of shortages, retail sales rose about 9%, but there was no significant trend later. During the last quarter of 1940, they were only 9% higher than in the last quarter of 1939. During the same period installment debt increased over 12%, or much more than retail sales, reflecting the need for goods and the lack of ready purchasing power to buy them.

The relatively limited retail market for consumer goods is shown also by the increase in manufacturers' inventories that has occurred since the war began. The quarterly averages for the index of inventories runs as follows, the index of retail sales being given also in the table (p. 16).

The rise in manufacturers' inventories was from about 102 in third quarter of 1939, to an estimated 124 in last quarter of 1940. A large part of this increase was in the capital goods industries such as iron and steel, as shown by the rise in the index of durable goods. But a significant rise was noticed also in inventories of consumer goods industries, as shown by the index of nondurable goods. The

INVENTORIES AND SALES

(1935-1939 = 100)

Quarter	<i>Index of value of manufacturers' inventories</i>			<i>Retail sales</i>
	<i>All manu- facturing</i>	<i>Durable goods</i>	<i>Nondurable goods</i>	
1939; 1st ..	101.5	101.2	101.1	102.9
2nd ..	101.2	100.7	101.3	100.4
3rd ..	101.6	101.0	102.4	100.9
4th ..	107.0	110.3	103.1	109.7
1940; 1st ..	114.8	119.2	109.6	109.2
2nd ..	117.3	120.6	113.8	105.6
3rd ..	121.0	125.4	116.9	107.1
4th ..	124.1	130.2	116.4	119.8

Source: Inventories—National Industrial Conference Board; retail sales—International Statistical Bureau.

higher level in the capital goods industries is of no importance as long as the prospect for huge armament spending continues. But the increase in consumer goods inventories might become an obstacle to a further rise in activity in some of these lines.

PROFITS UP WITH WAR SPENDING

While employment and payrolls increased only moderately under the impact of war preparations, corporation profits showed a sharp rise in the years since 1938.

Compilation of profits for 1939 made by the National City Bank of New York show that 1,440 leading manufacturing corporations reported net profits in that year 81% higher than in 1938.

In 1940, when armament orders began to be more clearly reflected in net profits, the rise over 1939 was equally startling in view of the fact that the increase was on a higher base. For the first nine months of the year, the National City Bank compilation showed that the net profits of 540 corporations were 44% over the net profits of the same companies in the comparable period of 1939.

Profits of companies in the capital goods industries producing for war were even more striking. National City Bank compilation of net profits of 284 companies "directly affected by war and defense pro-

gram" showed a combined net profit of 79.2% in the first nine months of 1940 over the first nine months of 1939. A Federal Reserve Board compilation found that profits of the iron and steel industry alone rose 199% in this period.

For the year 1940 as a whole it is estimated on the basis of figures of Standard Statistics Co. covering the profits of leading industrial corporations, that net profits exceeded those of 1938, two years before, by over 118%. They were only slightly lower than in the peak year 1937 and promised to go much higher than that peak in 1941.

Dividends: Total dividend payments, resulting from these increased profits, were estimated by U. S. Department of Commerce at about \$4,888 million in 1940, compared with about \$4,286 million in 1939, or a rise of 14%. (*N. Y. Times*, Jan. 31, 1941.) Dividends rose faster than any other form of income payments in 1940 and were almost up to the \$4,957 million paid out in 1937.

IDLE BANK FUNDS

Up to the end of 1940 the armament boom had not begun to utilize the vast amount of available credit. This is shown by the figures for deposits, loans and discounts, excess reserves and gold stocks.

Since the war began the immense inflow of gold from Canada and from other countries in payment for war goods and to build up balances has increased by several billion dollars the gold stocks in the United States. Total demand and time deposits of reporting Federal Reserve member banks rose over \$4 billion during the same period, while the excess reserves of these banks, which is the amount they hold in reserve above that required by law, at the end of 1940 was nearly \$7 billion compared with \$5.2 billion at the end of September, 1939. War preparations activity up to January, 1941, had not called into use any sizeable part of the mountain of idle capital in the banking system of the world's richest capitalist country. Bank loans by the winter of 1940 were up only a few hundred million dollars from the pre-war level and were still below their level at the end of 1937. Following table shows trend since 1937 in significant banking items, all figures being expressed in millions of dollars.

The war preparations program so far has actually been financed

largely by a further increase in government debt rather than through bank loans or new capital flotations.

	Gold stock ^a	Total demand and time deposits ^b	Total loans and discounts ^b	Excess reserves ^b
1937; December	\$12,760	\$19,900	\$9,450	\$1,224
1938; March	12,795	19,600	8,880	1,488
June	12,963	20,160	8,380	2,752
September	13,760	20,590	8,270	2,948
December	14,512	21,230	8,470	3,243
1939; March	15,258	21,240	8,240	3,422
June	16,110	22,460	8,090	4,253
September	16,932	23,440	8,320	5,213
December	17,644	24,110	8,800	4,988
1940; March	18,433	24,670	8,600	5,695
June	19,963	25,830	8,450	6,678
September	21,244	26,370	8,650	6,553
December	21,995	27,700	9,310	6,610

^a Figures for end of month. ^b Average of weekly figures, for Federal Reserve reporting member banks.

The U. S. government debt, excluding government-guaranteed obligations such as those of the Reconstruction Finance Corp. and the Federal Housing Administration, rose about \$4.58 billion from June, 1939, to December, 1940. In the latter month the debt exceeded \$45 billion and the government was preparing to raise the statutory limit to \$65 billion as the huge war expenditure continued to mount.

In contrast to this rise in government debt was the downward trend in new corporate capital issues which showed a marked decline in 1939 from the 1938 level and even during 1940 averaged less than in 1938.

Because of the vast amounts of liquid capital available in the banking system, interest rates have remained very low. As a result of this situation many corporations have retired bonds and preferred stocks with high rates of interest and dividends, and have issued in their place new securities bearing lower interest rates. For this reason the total corporate issues for refunding purposes showed large increases in 1938, 1939 and 1940, while the amount of money put into new corporate issues was declining. The following table shows the trend for four years:

CORPORATE CAPITAL ISSUES

(average amount per month in millions of dollars)

	<i>For new capital</i>	<i>For refunding</i>	<i>Total</i>
1937	102	101	303
1938	73	106	179
1939	32	144	176
1940	60	166	226

Source: Federal Reserve Bulletin.

WAR BOOM OF A SPECIAL KIND

As indicated above, the American economy so far has seen two stages in its advance to war since September, 1939. The first was marked by the tremendous buying immediately following the declaration of war. American capitalists, recalling 1914-1918, expected that the upturn would be much like that at the start of the first imperialist war. They looked for a quick rise in domestic business and in exports to warring countries with goods scarce and prices swiftly rising. Within a few months most of these expectations had to be revised, as the differences between economic developments in this war and the last became more apparent.

These differences arise from the contrast between present-day capitalism in its period of decay and that of the pre-1914 era. At present, for example, armaments output can be greatly and rapidly increased because of the large potential productive capacity of men and machines that has been idle all during the crisis years. Thus an upturn in output can come without a corresponding increase in pay-rolls or an immediate or spectacular rise in prices. Any sudden and sharp rise in the output of consumer goods, on the other hand, has soon resulted in a glutted market due to the limited purchasing power of the masses. Exports for peacetime products, furthermore, have been much more limited than formerly because of the development of home industries in the foreign and colonial markets, the policy of national self-sufficiency followed by many nations, bilateral and barter trade agreements, and of course the loss of markets to the United States that has resulted from the occupation of France and formerly neutral countries by the Nazi war machine.

Fear of inflation, with its disastrous consequences, haunts every government and prompts the imposition of controls and regulations and the accumulating of stocks of goods and raw materials designed

to prevent increases in commodity prices. Large stocks of raw materials, such as metals and agricultural products, have thus tended to saturate the present international markets. The millions of unemployed in the United States act as a labor-reserve brake upon tendencies for wages to rise, even apart from the definite pressure of the government and the employers to keep wage rates down. The net result has been an effective limitation on any large demand for consumer goods comparable to that experienced in this country during the first imperialist world war.

This different set of economic factors served to cut short the boomlet that came at the start of the present war and accounted for the following decline which was reversed only when the war became greatly intensified in the spring of 1940.

This second stage of the war brought another forward buying movement and a new boom, pushed on also by the launching of the Roosevelt war preparations program and the appropriation by Congress of over \$17 billion for war weapons. The outpouring of these funds and the prospects for still greater arms building was the basis for the rise in production in the latter half of 1940.

Production for Destruction: An armaments program of the gigantic proportions now contemplated would in itself be sufficient to support a war boom on a considerable, if localized, scale. If the United States is now to assume the leading role Wall Street desires for it among the world's imperialist powers, industry here will undoubtedly see several years in which greater and greater production, not for consumption but for destruction, will be the driving force in a completely militarized economy. Orders placed so far will be a mere beginning of an enormous program, with American industry completely geared to British-U. S. war needs. And if the United States proceeds to build armaments on a scale comparable with that of England and Germany, it will have to spend for this purpose from 30% to 40% of its entire national income for several years. American industry in most capital goods lines would have to increase its capacity for an indefinite period, especially if this country participates more actively in the armed struggle for redivision of the world.

Such a program will mean rising prices and an upward trend in living costs, higher taxes on the people, lower standards of living and a rapid shift to fascist economic policies and practices.

II

THE WAR

ON SEPTEMBER 5, 1939, two days after the war began in Europe, President Roosevelt proclaimed the neutrality of the United States. That administration's foreign policy, however, was by no means "neutral" has been proved in developments since. By June 10, 1940, in his University of Virginia speech, Roosevelt openly promised to aid one side in the imperialist war with "the material resources of this nation." By January, 1941, United States was sending to Great Britain war supplies valued in billions of dollars, while the "national defense" program in this country was on a war basis. Background of this war policy, summarized below, may be traced in outstanding events of the past two years.

Spain and Czechoslovakia Betrayed: Following the tactics of the British-dominated Non-Intervention Committee (1938-39), U. S. government maintained the arms embargo on Spain, thereby preventing the recognized Republican (Loyalist) government from obtaining necessary materials, while the forces of the rebel fascist General Francisco Franco were supplied through Germany and Italy.

The U. S. backed the Munich pact (Sept. 30, 1938), whereby Britain sold out the people of Czechoslovakia to Germany. On October 3, 1938, Under Secretary of State Sumner Welles revealed that President Roosevelt had asked Prime Minister Mussolini of Italy to call a four-power conference to settle Czechoslovakia's fate. As a result of Roosevelt's intervention, Mussolini, Chancellor Hitler of Germany, Prime Minister Chamberlain of Great Britain and Premier Daladier of France met at Munich. Czechoslovakia and the USSR were not represented.

Four days after fall of the Spanish Republic (see p. 52), U. S. government recognized Franco's Nazi-dominated government and lifted the arms embargo on Spain, April 1, 1939.

Investments in British Empire: U. S. foreign investments at the end of 1939 were estimated at \$11,365,000,000 and 42% of this total was in the British Empire. The fact that U. S. bankers and industrialists have a larger vested interest in the British Empire than in any other political division of the world has had its effect on American foreign policy. U. S. action abroad has paralleled Britain's efforts to preserve the status quo.

Aid to Britain: With outbreak of war in Europe, September 3, 1939, U. S. aid to Britain began. On November 4, 1939, Congress revised the 1937 Neutrality Act to lift the embargo on arms to belligerent nations, so that Allies could purchase supplies here on a cash-and-carry basis. On April 18, 1940, the U. S. arranged for a billion dollars' worth of planes to be sold to the Allied Purchasing Commission. At his press conference, June 11, 1940, Roosevelt gave open support to the Committee to Defend America by Aiding the Allies. In July he appointed Henry L. Stimson, pro-intervention Republican, and Frank Knox, Chicago editor favoring aid to Britain, Secretary of War and Secretary of the Navy, respectively. On July 19, 1940, Congress approved a two-ocean Navy program.

A pact with Canada, providing for a permanent Joint Defense Board, was made public August 18, 1940. This accord with a belligerent nation was signed by Roosevelt without approval of Congress. The destroyer-naval-base deal concluded on September 2, 1940, provided that for 50 destroyers Britain lease this country her Atlantic bases, ranging from Newfoundland to British Guiana. This deal was also made without the consent of the American people through their representatives in Congress. On November 7, 1940, it was reported that the U. S., Britain and Australia had reached an agreement on defense co-operation in the Pacific, including use of naval bases at Singapore and in Australia by the U. S. fleet.

During first year of the war, the United States shipped \$779,974,000 of goods to Great Britain—an increase of 57% above the 12 months preceding the outbreak of war. By January, 1941, the British Empire was taking about 65% of total U. S. exports.

In 1940, British purchases of war supplies in the U. S. totalled about \$2.1 billion. Federal Reserve Board estimated in January, 1941, that this total might increase to \$3.5 billion in 1941.

U. S. government announced in December, 1940, that Britain was to get 50% of all new U. S. war materials. Actually by November,

1940, more than 80% of combat plane production was going to Britain, and more than 50% of military plane engines.

In December, 1940, Under-Secretary of the British Treasury, Sir Frederick Phillips, formally asked U. S. government for financial aid to enable Britain to pay for war orders in the U. S. Yet total available resources in the U. S. owned by the United Kingdom and Canada when the war began were estimated by the Federal Reserve Board at \$7,115,000,000. Moreover, Great Britain still owed the U. S. about \$5,652 million on the last World War debt.

British propaganda in U. S. has increased during the war. The President constantly stressed Britain as America's "first line of defense" and the press seconded his pleas for "all aid short of war." Later the phrase "short of war" was dropped. Those who opposed the administration's war policies were called "fifth columnists." By November, 1940, prominent individuals, educators and the commander of the American Legion were urging that the U. S. enter the war.

Loans and credits to Great Britain were prohibited by the Johnson Act (April 13, 1934) which forbade loans or credits to any governments that have defaulted, wholly or in part on their obligations to the U. S. government and by the Neutrality Act (Nov. 4, 1939) which prohibited loans and credits to all belligerent nations. To avoid these legal barriers to financial aid to Britain, Roosevelt advanced a plan, December 17, 1940, whereby the U. S. would finance manufacture of munitions in this country and "lend" the resulting products to Britain. At end of the war, Britain would return or replace the "borrowed" material.

Even before this plan was submitted to Congress, President Roosevelt told British purchasing agents to proceed to place \$3 billion worth of new war orders here, underscoring his assurance of financial aid.

On January 10, 1941, Roosevelt's "lend-lease" bill was presented to Congress (H.R. 1776). It conferred upon the President unlimited and dictatorial power to place U. S. war equipment, new and old, at the disposal of any foreign nation. "Notwithstanding the provisions of any other law..." the President is empowered to transfer the whole or any part of U. S. naval and army equipment to other countries and to place new defense production at their disposal. Determination of terms and financing is left to the Pres-

ident alone. This Act makes it possible, with Presidential consent, for a foreign government to repair or outfit its own war machines in U. S. territory.

This measure was the subject of bitter debate in Congress but passed with a vote of 165 against it in the House and 31 in the Senate, and became law, March 11, 1941. Business circles generally agreed that this Act put the United States into the war on Britain's side and gave Roosevelt a free hand to transform the country from an "arsenal" into a full-fledged participant in the struggle for world domination. There was little opposition to the \$7 billion appropriation voted to implement the aid-to-Britain program. It was the largest lump-sum appropriation ever voted at one time in American history.

Increased Domination over Latin America: As in the last war, the U. S. gained concessions by aiding Britain. Use of British Atlantic bases facilitated United States control over Latin America where the second largest amount (36%) of U. S. investments are located. While exports to continental Europe decreased from 23% to 2% of total foreign shipments during the first year of war, the U. S. became more dependent on Latin-American markets. During first year of the war, U. S. exports to Latin America rose 42% over the previous 12-month period. The U. S. made large loans to Argentina and several other Latin American countries.

While rivals for control in Latin America were occupied in Europe's war, U. S. economic and strategic moves in the Western Hemisphere became increasingly aggressive during closing months of 1940, with the planned two-ocean navy, formation of the American patrol force (formerly the Atlantic squadron) of about 125 vessels, and dispatch of the First Marine Brigade to the U. S. naval base at Guantanamo, Cuba. The mobilized National Guard and the large conscripted army were made liable for service anywhere in the Western Hemisphere. Negotiations for air and naval bases in Latin-American countries were pushed.

Power Politics in the Pacific: In the Far East a liberated Chinese people would endanger British colonial possessions, but on the other hand a victorious Japan would threaten U. S. and British vested interests. Therefore, the U. S. government has given some help to China, but at the same time has supplied Japan with materials necessary to continue the invasion of China. In 1940, Japan purchased about 80% of her scrap metal imports from the U. S.

Japan's aggression in Indo-China which began in June, 1940, her threats to British Malaya and the Dutch East Indies, and the Rome-Berlin-Tokyo pact (Oct., 1940), caused a slight shift in U. S. far-eastern policy toward curbing Japanese moves outside of China. An embargo was placed on exports (without specific licenses) of high grade gasoline, iron ore, scrap metal, etc. Unrestricted exports of these articles were allowed only to the British Empire and the Western Hemisphere. Other countries, including Japan, obtain licenses for exports on a limited quota basis.

U. S. exports to Japan in the first 11 months of 1940 totalled \$207,854,000 as compared with \$204,620,000 in the same period in 1939. In November, 1940, the British Shell Co. and Standard Vacuum Oil Co. (Rockefeller) arranged for the export to Japan from the Dutch East Indies of 1,800,000 tons of petroleum annually.

Credit totalling \$25,000,000 was extended to China through the U. S. Export-Import Bank, September, 1940. An additional credit of \$100,000,000 was extended on November 30, 1940. U. S. policy thus gave China just enough encouragement to continue the war and "keep Japan busy," but not enough aid to win the war. Meanwhile the United States has made it possible for Japan to continue aggression through purchase of war materials.

Use of British Pacific bases and planned two-ocean navy aided America's game of power politics in the Far East. The enlarged U. S. army could be called for service in American possessions, such as the Philippines and Hawaii. In summer of 1940, U. S. naval personnel at Pearl Harbor was brought up to full strength, and anti-aircraft defenses in Hawaii reinforced. In October, 1940, the War Department dispatched two additional squadrons of pursuit planes to the Philippines. In December it was announced that the U. S. fleet was concentrating for maneuvers in Hawaiian waters for the second time in 1940.

War Budget: In the President's budget for fiscal year ending June 30, 1942, out of the \$17.5 billion total, nearly 62% was earmarked for direct war preparations (exclusive of funds for war aid to Britain to be estimated later). This budget called for a 67% increase in military expenditures over the previous year's, and a cut of 15% in non-military expenditures. (See p. 27-28.)

ARMAMENT EXPENDITURES

Between 1933 and 1939, according to estimates of the Foreign Policy Association, the total world bill for armaments rose by more than 400%. This huge increase may be compared with the rise of only 60% in world armament expenditures in the ten years preceding the first world war (1914-1918). In 1939, 60 nations were already spending at the total rate of nearly \$55,000,000 a day for armaments. Following table shows soaring trend in total expenditures:

<i>Year</i>	<i>World total</i> (in millions of dollars)
1932	\$ 3,783.7
1933	3,962.8
1934	5,031.4
1935	8,776.0
1936	12,976.0
1937	15,468.7
1938	17,581.3
1939	20,000.0 ^a
1940	50,000.0 ^b

^a Estimated by Foreign Policy Assn.; figures for earlier years from same source. ^b Estimated. By the end of 1940 six major nations were spending at the total rate of nearly \$50 billion a year for armaments, according to Associated Press estimates in November of that year.

Even in 1939, before the second imperialist war had more than begun, six great capitalist powers spent a total of over \$13 billion for arms—an increase of 22% above 1938, as shown in the following figures:

<i>Nation</i>	<i>1939</i> (in millions of dollars)	<i>1938</i>
Great Britain	\$ 3,500.0	\$ 1,693.3
France	1,800.0	1,092.1
Germany	4,500.0	4,400.0
Italy	550.0	526.0
Japan	1,800.0	1,755.3
United States	1,065.7	1,336.0
Total	\$13,215.7	\$10,802.7

By February, 1941, Great Britain alone was spending at the rate of over \$19 billion a year, or about \$52,500,000 a day for war purposes.

U. S. Arms Bill: A total of \$17,692,227,930 was authorized for "national defense" (including a two-ocean navy and neutrality enforcement) during the 1940 session of the 76th Congress, according to data of Edward T. Taylor, chairman of House Appropriations Committee. (*Congressional Record*, Oct. 24, 1940.) Some of this stupendous total will be spent in later years. Of the total nearly \$2 billion was for the conscription program (see p. 30 ff.), including registration, administration, housing and equipment.

Naval and military appropriations and contract authorizations for the Navy and War Departments for fiscal year ending June 30, 1941, totalled \$12,052,155,443. Direct appropriations alone totalled \$8,250,023,434, compared with \$1,795,741,000 for previous fiscal year.

War Department appropriations (military activities only) and contract authorizations for year ending June 30, 1941, totalled \$8,682,646,282, of which \$5,703,509,885 represented direct appropriations.

Navy Department appropriations and contract authorizations for the year ending June 30, 1941, totalled \$3,369,509,161, of which \$2,546,513,549 represented direct appropriations. Estimated long-range commitments, in excess of present appropriations, for building a two-ocean navy totalled \$4,586,000,000.

Official figures on appropriations for the army, navy and aviation services show how U. S. expenditures for "national defense" have increased in recent years. In the peacetime year, 1936, United States was already spending more than in the world war year, 1918.

APPROPRIATIONS FOR "NATIONAL DEFENSE"

(fiscal year ending June 30)

1913.....	\$ 214,110,252	1935.....	\$ 540,184,946
1916.....	251,621,061	1936.....	800,032,583
1917.....	580,894,600	1937.....	909,651,391
1918.....	790,320,125	1938.....	931,521,962
1919.....	11,798,946,720	1939.....	1,119,382,562
1920.....	1,388,421,717	1940.....	1,795,741,000 ^a
		1941.....	8,250,023,434 ^b

^a For Navy Department and War Department (military activities), as appropriated before June 30, 1940. ^b Includes only direct appropriation and not contract authorizations.

Program: Roosevelt, in his budget message to Congress, January 8, 1941, called for appropriations of \$10,811,314,600 for "national defense" in the fiscal year ending June 30, 1942. This stupendous sum took into account only the rearmament of the U. S.

Including the \$7 billion aid-to-Britain bill voted in March, 1941, it was estimated in that month that at least \$42 billion would be spent for "defense" in the current and next fiscal years. Full participation in the war, it was indicated, would make this \$42 billion only a beginning. Some economists suggested \$100 billion as a possible total outlay in the next few years, compared with a total of only \$19 million spent by the United States to carry on the first World War.

INDUSTRIAL MOBILIZATION PLAN

War plan of American industry has been worked out during the past 20 years by Planning Branch of Assistant Secretary of War's office and the War Procurement Section of Navy Department's Fleet Maintenance Division. Their *Industrial Mobilization Plan* has been issued in four editions, 1931, 1933, 1936 and 1939.

Revision of 1939 leaves out many essential details of the Plan "because they had become too controversial," according to *Mobilizing Civilian America*, by H. J. Tobin and P. W. Bidwell. All students of M-Day plans agree that features now suppressed in its latest printed form are still a part of the Plan and would be applied immediately on outbreak of war involving United States.

"The Unwritten Plan," described in earlier editions, outlined various schemes for military conscription, organization of propaganda and censorship, and control of labor. It included drafts of legislative bills to put the Plan into effect.

As issued in 1939, the Plan consists of two parts: I. The utilization of national resources and the mobilization of industry in time of major war; and II. Army and Navy procurement planning in time of peace.

Under Part I, about 10,000 different plants have accepted allocations to provide materials needed. By November 16, 1940, about 2,000 plants, mostly the largest concerns, had already received contracts. The Navy alone has estimated that it will need about 40,000 items.

Whole Mobilization Plan is basically a system of government

by emergency "super-agencies" to be employed in wartime. An advisory war council as a "super-cabinet" would, with the President, rule the nation. This council would have representatives from all agencies under the plan, including those dealing with public relations (propaganda), selective service ("work or fight"), war resources, finance, trade, price control, and war labor administration.

Earlier editions of the Plan revealing its program for Presidential control over necessary "services" including labor, were sharply criticized by the Senate (Nye) Committee, investigating the munitions industry:

The Committee believes that if the work-or-fight principle is authorized by law... then this country will have for all practical purposes a draft of labor. (Senate Report No. 944. 73rd Congress, 1936, Pt. 4, p. 49).

Seven bills, to be passed as soon as war is declared, were included in 1933 edition of the Plan. They included provisions that wages should be fixed by government; "non-essential" industries would be closed down and their workers would be assigned to war work by the government employment service.

War Labor Administration "would set standards of wages, hours and working conditions, attempt to maintain maximum production, prevent grievances, conciliate disputes if they arise," according to a special series of articles on the 1939 Plan in the *Wall Street Journal* (Oct. 13, 17, and 23, 1939). It "would almost surely push into the discard the national labor relations board and the wage and hour administration."

Conscription of Labor: In a study of "Wartime Conscription and Control of Labor" (*Harvard Law Review*, Nov., 1940), Francis Hoague, Russell M. Brown and Philip Marcus, three assistants of U. S. Attorney General Jackson, have concluded that compulsory labor service is to be expected in wartime. No definite plan for such conscription of labor has yet been made public, they say, but the conscription act (see p. 30 ff.) "is capable of use for Work or Fight regulations among men of draft age." They add:

Compulsory labor service in wartime... certainly suspends traditional freedoms.... Compulsory labor service results in the curtailment of a number of labor's hard-won rights.

Industrial Mobilization Plan is still a part of the War Department's program. Some of its provisions were carried out in 1940 and

early 1941 in the name of "national defense"; others will be in effect with more direct war mobilization.

PEACETIME CONSCRIPTION

The Selective Training and Service Act of 1940 (Burke-Wadsworth bill) providing for peacetime conscription for the first time in American history became law on September 16, 1940. This major step toward war involved the registration of about 16,500,000 young men, 21 to 35 years old, among whom 800,000 were drafted for the first year's compulsory military service.

Expenses of this draft, training and service for one year were estimated at \$1.6 billion over and above all other "defense" expenditures of U. S. government in fiscal years 1940-41. Pay for drafted men is only \$21 a month for the first four months and \$30 a month, or about \$1 a day, thereafter.

This conscription act contains no guarantee, except for those in U. S. government service, that a man will get back his job at the end of his year's military training. For those in state, local or municipal positions, it is "the sense of Congress" that they should be restored to such positions but there is no compulsion on local authorities to require it. For those in "private" industry, the employer "shall restore" the drafted man to his position "unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so." This loophole makes the provision for job return practically meaningless.

Conscripts must serve for 12 consecutive months but "whenever Congress has declared that the national interest is imperiled," the period may be extended. Once in the armed forces, a conscript is subject to court martial and military regulations, not to civil law. Failure to register or otherwise to comply with the draft law is punishable by five years' imprisonment, or a fine of \$10,000 or both.

Conscientious objectors who because of religious training and belief are opposed to participation in war in any form are turned over by local draft boards to U. S. Department of Justice for investigation. Those who refused to register are imprisoned.

Anti-labor employers through their representatives on local draft boards can easily use this conscription act to dispose of active union

men by ordering them into the army, navy, or air corps. Labor representation on draft boards averaged less than 5%, a Federated Press survey showed. Conscripts may be used for any purpose the government chooses—as scabs in strikes under cover of working on “defense” orders, or to break down union standards in other ways. These standards are immediately imperiled by the low monthly pay for conscripts. Men drafted may be sent into Latin America or anywhere in the Western Hemisphere.

Advocates of Conscription: A small group of bankers, brokers, Wall Street lawyers and the publisher of the *New York Times* met at the Harvard Club in New York City, May 22, 1940, to outline plans for peacetime conscription. Following this lead practically all the country's major newspapers editorially supported the measure.

When the people's opposition to the Burke-Wadsworth Bill delayed its passage, President Roosevelt personally (August 23, 1940) called for its speedy adoption. Wendell Willkie, Republican candidate for president, in his acceptance speech recorded his approval of conscription. Industrialists, financiers, reactionary politicians, educators, clergymen, lawyers and judges, most of them too old themselves for military service, vied with army officers in urging conscription for America's younger men. Their speeches repeated the war-mongering “preparedness” phrases of 1916-17.

Opposition Recorded: Leaders of organized labor, including CIO, AFL and railroad brotherhoods, representing in all over eight million workers, went on record as opposed to conscription. Others passing resolutions against the bill included National Farmers Union, American Youth Congress, Negro, church, and women's organizations. Letters from the American people, reported as 100 to 1 against compulsory military service, were piled high on Congressmen's desks. But rarely did any newspaper mention this determined opposition to conscription.

In the final count in Congress, September 14, 1940, 25 Senators and 124 Representatives voted against this measure.

MILITARIZING CCC AND NYA

American Youth Commission, headed by Owen D. Young, former chairman of General Electric Co., recommended in December, 1940, that the Civilian Conservation Corps and the National Youth Ad-

ministration be merged for the best integration of youth programs into the war preparedness program.

This is another move in the seven-year struggle for army control of CCC (see *Labor Fact Book II*, p. 191). Militarization of NYA grew out of more recent "total defense" plans.

Even when the Administration emphasized the creditable peacetime achievements of CCC, it was evident the camps were under domination of the War Department. James J. McEntee, CCC director, reported: "...our CCC graduates are mentally, morally, and physically the best-equipped reserve of man power for the United States Army." (*Look*, Dec. 17, 1940.) His article titled "Army Without Guns," stressed the tieup of CCC activities with maturing war plans.

Since 1933, about 2,500,000 unemployed youth, mostly 17-23 years old, have entered CCC camps for periods of six months to two years. Pay is \$30 a month of which \$22 must be sent to dependents. In 1940 enrollment in CCC averaged about 260,000.

A CCC-NYA joint survey of unemployed man power proposed that these agencies be expanded to train one million men a year in so-called noncombatant duties. It was reported also that: "...CCC is not at present fitted to serve, like the German Labor Corps, as a source of preliminary military training." (*N. Y. Times*, June 1, 1940.) Steps are being taken to correct this "shortcoming."

Training for Wartime: During 1940 the CCC's vocational training became largely preoccupied with crafts useful in wartime, such as motor mechanics and large-scale cooking. Similarly in the National Youth Administration at least 40% of out-of-school jobs provided by NYA by January, 1941, involved training in metal and mechanical trades, radio and electrical work, automotive repair and woodworking.

Compulsory Camps Proposed: President Roosevelt, Mrs. Roosevelt and a number of college presidents proposed in 1940 a system of compulsory work camps for all youths between 18 and 20, similar to Hitler's youth camps. Such training in government camps would be for six months or a year's duration. It would be, according to the President's explanation, "training boys and girls for second line defense." (*N. Y. Times*, July 10, 1940.)

As a step in proposed transition from voluntary to compulsory camps, the International Student Service with active aid from Mrs. Roosevelt and wealthy benefactors in 1940 took over a former refugee organization, Work Camps for America. The ISS has recently taken the lead in planning extension of government-run work camps. As Mrs. Roosevelt ex-

plained the plan in her column (Oct. 31, 1940): "The CCC and NYA should cover every boy and girl coming out of school who is not able to obtain work in private industry, or who is not called to service under the selective draft." She did not mention the fact that the NYA and CCC pay less than minimum wages for the work required. Wages in compulsory labor camps would be far under union or prevailing wage standards.

THREAT OF INVASION

Much of the 1940-41 propaganda for "all aid to Britain" has centered around hysterical threats that Adolf Hitler's forces will invade the United States. People living in Boston, New York City and other Atlantic Coast ports have been terrified by paid propagandists informing them that nothing protects them from Nazi bombers except Great Britain's navy. Victory for the British Empire, these propagandists argue, will prevent invasion of North America and extension of the German Empire to this continent.

Such propaganda was the only method by which the American people could be stampeded into war measures. In a book, *Propaganda in the Next War*, published in England in 1938, Sidney Rogerson foresaw this campaign to get the United States into the war:

It will need a definite threat to America, a threat, moreover, which will have to be brought home by propaganda to every citizen before the republic will again take arms in an external quarrel. (p. 148).

President Roosevelt has led in this war propaganda by radio broadcasts, citing distances from Africa to South America, to North America. In his "fire-side chat," December 29, 1940, for example, he whipped up fear with such statements as: "At one point between Africa and Brazil, the distance is less than it is from Washington to Denver, Colorado, five hours for the latest type of bomber. . . . The Azores are closer to our shores in the Atlantic than Hawaii is on the other side." Roosevelt did not mention the fact that these distances work both ways. Imperialist United States could thus justify seizing bases in the Azores and Brazil.

Naval Experts' Report: On May 15, 1940, the Senate Naval Affairs Committee issued a 32-page report (No. 1615, Senate, 76th Congress, 3rd Session), placed that day on the desk of every Senator. It concluded that America could not be invaded. This report

represented the considered opinions of admirals, other responsible naval authorities, and experts on naval aeronautics. But newspapers did not carry main conclusions of the report, since it did not reflect the administration's pro-war propaganda.

These naval experts calmly stated their answer to hysterical fears of invasion that had been aroused, by calling attention to "the basic military fact that aircraft have a limited radius of action." They reported:

The armies of Europe and Asia do not menace us. To be a menace they must be transported across the sea in ships. Airplanes based on the continents of Europe and Asia do not menace us. To threaten seriously our continental security they must be conveyed across the sea and operated from bases in or near this hemisphere.

The armed forces of no foreign nation or group of nations can seriously threaten our continental security if we make sure that we command the seas which separate us from all potential enemies. . . .

From the evidence available it appears that if we build and maintain an adequate navy, provide ourselves with adequate air power and a comparatively small, but well trained and highly efficient army, we cannot be defeated. If our fleet, supplemented by our air forces, is able to exercise control of our essential sea and air communications, our nation is secure. . . .

If we are to remain at peace we must avoid becoming interested financially in the outcome of the European war, and our industries must not become too greatly compromised by foreign war orders. (Our emphasis. L.R.A.)

Of 25 conclusions summarized in this report, we quote the following:

2. In the military sense the United States is an insular nation and can be defended upon the seas.

3. An insular nation cannot be defeated if it is able to maintain command of the sea and air approaches to its shores. . . .

5. The U. S. at the present time is not vulnerable to direct attack by any means whatsoever save those with which a thoroughly modern navy and air force can deal adequately. . . .

12. . . . If Germany's shore-based air force should succeed in destroying British sea-power it would not follow that they would be able to defeat our Navy if our Navy operated in this hemisphere. . . .

21. . . . We can, if we have to, defeat Japan. . . .

Most significantly, these naval experts predicted that "If we allow ourselves to become engaged in the war in Europe...the

whole energies of our people, of necessity, will be ordered, regimented, and directed by a single authority.... Why should we go to war to defend freedom, if we must begin by destroying it with our own hands? We need not do this."

What Invasion Would Require: Military experts have estimated that Hitler would require at the very least a million men, the number he took into Poland, to attempt invasion of the United States. To transport them and keep them supplied with food, oil, and ammunition, he would need from 8,000,000 to 13,000,000 tons of shipping, moving constantly. But the Axis powers on the Atlantic together have at most 500,000 tons of naval vessels.

To equip the invading army Hitler, it is estimated, would require 4,500 tanks, 8,000 motor cycles, 1,750 ambulances, 1,600 tractors, 2,000 anti-tank guns, 2,000 anti-aircraft guns, 60,000 trucks, 20,000 trailers. If transported from Africa to Brazil and then by land up through Mexico, this vast force would have to travel 10,000 miles to reach U. S. borders.

No other country in the world, the Senate Naval Affairs Committee reported, is so naturally and so fortunately protected against invasion as is the United States.

LABOR IN WARTIME: CANADA

The war had far-reaching effects on Canadian labor. Young people were taken out of school and put into industry. Women were employed in increasing numbers, even on work formerly done by men such as welding in aircraft plants, but at lower wages than men. Rural workers, especially in Central Canada, were absorbed into industry.

Yet at the same time there were still great numbers unemployed. Unemployment decreased from 367,000 in April, 1940, to about 150,000 in January, 1941 (estimated by the Canadian Welfare Council), although during this period about 325,000 men had been absorbed by the armed forces. Masses of older workers were left jobless as industry showed no disposition to train them, or even to employ them when the government undertook to train them.

Wages: Hourly and daily wage rates went up in some of the skilled metal trades, in some formerly low-wage industries, such as textiles and leather, and in some well-organized industries, such as

pulp and paper. But even where rates rose, the increase on the average was not more than 5% or at most 10% during the first 16 months of the war.

Where the demand for skilled labor was greatest, as in skilled metal trades, average earnings increased more than in other occupations. But increased earnings were associated with long hours of overtime (see below). In certain industries formerly operating on very short time, average earnings advanced considerably, but elsewhere there was little increase.

Control over wages was inaugurated when the Dominion Government ordered Conciliation Boards to regard average wage rates for the 1926-29 period as "adequate" basic rates. From this level wages were to be adjusted at quarterly intervals by the addition of flat rate bonuses, whenever the official cost of living index showed an increase exceeding 5%. The "cost of living" bonus would be independent of basic wage rates. The flat increase (estimated at usually around 2¢ an hour), meaning that higher-paid workers received the same as lower-paid, provided little protection of 1939 living standards for lowest-paid groups. Moreover in trades where 1926-29 wages were "abnormally high" above the average, increases from current rates were limited to 5% yearly. This order prevented labor from sharing in war "prosperity," and it was based on the fallacy that 1926-29 levels were "adequate."

Hours of Work: The 48-hour week which was more or less standard before the war had almost disappeared by early months of 1941. Where it was still accepted as basic, considerable overtime was worked, and only in a few trades and industries were workers able to enforce higher rates of pay for overtime. In war industries employees were frequently working up to 60 hours and sometimes up to 70 and 72 hours weekly. The Ministry of Labor had announced that the government might establish a 48-hour basic week or even longer, thus misrepresenting the fact that industry had already reversed the former downward trend of hours.

An Order in Council in August, 1940, abolished the eight-hour day limitation on public works contracts for national defense projects and established a ten-hour basic day.

Cost of Living: Between August, 1939, and December, 1940, the general cost of living rose by 6½% (*N. Y. Times*, Dec. 19, 1940). This average rise does not include increased taxes on certain "lux-

ury" items, such as cigarettes, which do not appear in the cost of living index, nor does it include certain other special taxes described below.

Taxation and Relief Cuts: Living costs were still further increased by additional burden of direct taxation through a 2% National Defense Tax which, due to lowered exemptions, hit incomes of single workers with more than \$600 a year and married persons with over \$1,200. "Voluntary" war savings and donations were solicited in factories and deducted from pay checks. Purchase of war savings certificates was practically obligatory through such schemes for payroll deductions.

The heavier tax burdens on lower income groups were used to restrict consumption of ordinary goods and give "priority" to production of war materials. Another method of restricting consumption was an extra "tax" in the form of unemployment insurance deductions which were paid into the consolidated revenue fund used to finance the war.

Drive for economy in government expenditures, to make way for increased armaments, reduced relief payments, postponed ordinary public works, and tended to strangle education. Little relief was given to farmers who benefited only slightly by rising farm prices.

Labor Legislation: An Order in Council in spring, 1940, directed that employers and employees should compose their differences by collective bargaining, but no compulsion was put on employers who refused to bargain with employees.

Fair wage and hour clauses were supposedly included in all government contracts, but except in contracts for construction of defense and other public works, no provision was made for their enforcement.

Regulation of labor, on the other hand, proceeded rapidly. Restrictions were summarized by a Canadian union organizer of United Electrical, Radio and Machine Workers (CIO) in a letter, quoted in House of Commons, as follows:

Regulations have been passed recently restricting the right of skilled workers to move to a better-paying job. Registration cards are necessary before being hired in any factory. Wage-and-hour regulations designed to protect labor against low wages, particularly on government jobs, have in the case of the construction industry been removed, thus encouraging contractors to pay lower wages. Plants engaged in war production, even al-

though only to some 5 to 10 per cent of total production, have been declared essential services and prohibited areas, which has been interpreted by the courts to mean "no picketing"; strikes in these areas are illegal, and workers are intimidated and coerced into accepting long drawn-out conciliation proceedings. Collective bargaining is a word with no meaning, because labor is given no protection in organizing and attaining recognition of its unions.

Control Over Labor: National Resources Mobilization Act (June, 1940) granted Canadian government special emergency powers for mobilization of all human and material resources.

In October, 1940, an order designed to prevent "poaching" for skilled workers prohibited employers from advertising for or hiring any persons previously engaged in any war industry. The Inter-departmental Committee on Labor Co-ordination, set up in November, 1940, was authorized to plan for eliminating competition for labor among employers, and for transferring labor from non-essential to more essential industries.

Conscription: A government Department of National War Services, established after passage of the national resources mobilization act, carried out in August, 1940, a compulsory registration of all residents over 16 years old. Following this registration, the department introduced compulsory military service for male citizens over 21 years old and began calling up classes of single men from 21 to 25 for a 30-day training period. This plan was explicitly confined to "home defense." But trainees were required on completion of training to attach themselves to the Reserve Canadian Army, which under the Militia Act could be required to serve in the defense of Canada either at home or abroad.

Conscription for overseas service was thus introduced by the "back door," despite explicit pledges against compulsory service given to the Canadian people by leaders of all political parties during the March (1940) federal election campaign.

Civil Liberties Denied: Defense of Canada Regulations issued under the War Measures Act (effective Sept. 7, 1939) drastically restricted the established civil liberties. One section of these regulations forbids dissemination by word of mouth or writing of any information likely to cause disaffection or to be "prejudicial to the safety of the State or the efficient prosecution of the war." Several prominent newspapers of progressive, labor and national minority groups were banned under this regulation.

Some 30 organizations, most of them working class anti-war groups, were declared illegal under this regulation, including the League for Peace and Democracy, Ukrainian Labour Farmer Temple Association, Communist Party of Canada, Technocracy, Inc., and Jehovah's Witnesses, as well as some Italian and German fascist groups. Many were arrested and convicted for distributing literature of the Communist Party and Jehovah's Witnesses. One bookseller was convicted of displaying and selling radical literature which could previously have been obtained in any standard library.

Under another section of War Measures Act, the Minister of Justice could direct detention of any individual to prevent his acting in any manner prejudicial to public safety or safety of the state. By December, 1940, some 1,500 persons had been arrested under this provision and confined in "internment" (concentration) camps without any public trial, according to figures quoted in the House of Commons.

Among those interned were 70 trade unionists, including prominent officers of Canadian Seamen's Union, on charges that "representations have been made that they are members of the Communist Party." Others interned include several elected members of municipal councils and school boards, leaders of French unemployed organizations, and Camilien Houdé, former mayor of Montreal. Houdé was interned for advising fellow French-Canadians to boycott compulsory registration in August, 1940, because it was a step to military and labor conscription.

Strikes Illegal: The federal Industrial Disputes Investigation Act was extended in November, 1939, to apply to all war industries. Strikes and lockouts are illegal under this act until the parties have applied to a conciliation board and this board has investigated and published its findings—a procedure which at best involves long delays.

Unions found by experience that the only way to insure quick action by a conciliation board was to call an illegal strike. A number of such strikes took place in Canada in 1940. In theory neither party is bound to accept a conciliation board award and the government has made no effort to enforce acceptance by employers. But a union refusing an award runs the risk of prosecution of its leaders under defense regulations.

Despite these restrictions and the labeling of all union activity as

"unpatriotic," there were 188 strikes during first 12 months of war as compared with 149 in previous 12 months. The number of workers involved in strikes more than doubled—71,233 in first year of war, compared with 34,396 in the previous 12 months.

LABOR IN WARTIME: GREAT BRITAIN

Control Over Labor: The Emergency Powers (Defense) Act (May 22, 1940) granted the British government unprecedented control over the life of the nation. Some of its broad provisions called for: (1) all persons and property in the British Isles to be at the full service of the government, (2) full government control over all industry and commerce, with absolute powers to dictate production, close down factories, or destroy property, (3) complete government power to draft labor, diverting and employing it as necessary for national defense.

Control over labor was placed with the Minister of Labour. A worker was compelled to take work as directed even though it involved lower wages. Workers refusing to obey instructions were subject to penalties, disqualified from unemployment benefits. The Ministries of Labour and Agriculture co-operated to keep farm workers from transferring to industry. The Labour Supply Board worked with the employment exchange to regulate "essential labor."

Minister of Supply was authorized to declare any establishment to be a controlled undertaking, to require controlled establishments to do specified work, to determine the number and kind of workers employed, and to fix prices for goods produced.

On January 21, 1941, Minister of Labour Ernest Bevin announced that the government had decided to conscript British labor. The government would require industrial registration by age-groups and draft workers from non-essential employment into war production, under the compulsory powers granted the government by the Emergency Powers Act (1940). All women 20 and 21 years old were required to register for compulsory national service in April, 1941.

Civil Liberties: Defense regulations under the Emergency Powers Acts (1939 and 1940) restricted freedom of speech, press and assemblage. All propaganda to dissuade persons from entering the armed forces was made illegal. This provision also covered the enrollment of persons in civil defense organizations, and all en-

deavors "to prejudice the training, discipline or administration of such organizations." Thus any attempts to better conditions of civil defense workers might be declared illegal. Emergency Powers Act of 1939 suspended the right of *habeas corpus*, by making it possible for a person to be arrested and imprisoned without trial.

On December 5, 1940, it was revealed in Parliament that 1,250 British subjects had been interned since the war began. They included 30 who had been in prison for more than three months without their cases being considered.

In the camp for conscientious objectors at Dingle Vale, treatment of anti-war prisoners was almost as brutal as methods used in Nazi concentration camps. According to reports from the victims, the policy was to reduce the conscientious objector to such a condition that he would give in to accepting military service.

The *Daily Worker*, Communist Party newspaper, and *The Week*, progressive news-letter, were suppressed by the British government on January 21, 1941. Order to suppress and raid the *Daily Worker's* offices was given by Minister of Home Security, Herbert Morrison. It was made an offense against the Crown to print, distribute or assist publication of these two periodicals and the police were given authority to take possession of their offices.

Strikes: During the first six months of 1939, 149,200 workers were reported involved in strikes and in the similar 1940 period, 195,900 workers. On July 25, 1940, strikes were banned, and compulsory arbitration enforced. A National Arbitration Council was formed to deal with disputes that could not be settled by existing conciliation machinery. In the three months, July-September, 1940, 40,000 workers were reported involved in labor disputes. In November and December, 1940, and January, 1941, there were major strikes in munition and railroad industries, for wage increases to meet rising living costs.

Unemployment: Number of unemployed workers decreased after the outbreak of war, from 1,417,000 in June, 1939, to 834,000 in June, 1940. The significance of these figures is blurred by the large numbers of men taken out of labor's ranks into the armed forces during the war. In the summer of 1940, the number of registered unemployed decreased by less than the number of men mobilized. In November, 1940, when total unemployed numbered 891,000, members of Parliament and the Minister of Labour stated that the

absorption of available labor remained a difficult and unsolved problem.

Hours and Accidents: With acceleration of war production, labor worked considerable overtime. On July 18, 1940, the Minister of Labour announced that overtime in war factories was retarding rather than increasing production. At the AFL convention, November, 1940, Sir Walter Citrine, general secretary of the British Trades Union Congress stated:

In certain arsenals men were working 12 hours a day and a seven-day week. Long hours are bad for production... The government has now instructed managers that whenever possible men should not work longer than 60 hours.

Paid vacations were abolished in essential industries. More women were working, at lower wages than men, and in industries where they had not been previously employed.

In the first six months of the war, industrial accidents increased 30% over the number for the similar period the year before.

Wages and Cost of Living: Because of extensive overtime worked and trade union demands, wage rates increased during the war, but by no means met the simultaneous rise in the cost of living. From the end of August, 1939, when the second imperialist war began, to September, 1940, the index of wholesale commodity prices rose by 48%. Wholesale food prices went up by 64% in the same period.

Official figures showed that by January, 1941, the average wage increase since the start of the war was only 12% to 13%, while the cost of living rose 26%. Real wages thus declined more than 10%. Including overtime work in the calculation, it is estimated that the real wage for a *given amount of work* had fallen about 18%.

A survey of prices in Britain by the American Retail Federation found:

Little effort was made to control the prices of many consumers' goods, and the opinion has been expressed that strong forces in the government favored price rises as a means of restricting consumption so as to relieve pressure on foreign balances needed for war imports. (*N. Y. Times*, Sept. 15, 1940.)

Taxation: British expenditures for the war totaled about \$46,000,000 daily in November, 1940. It became increasingly clear

that, as in 1914-18, it was the working people who pay for the imperialist war. The war budget, July, 1940, lowered the level of exempt income. The rate on the first £165 of taxable income was raised 33%, but on higher incomes it was raised only 13%. Deduction of income taxes from wages at the source was enforced in November, 1940. Indirect taxation on items such as tobacco, beer, whiskey, and amusements was increased.

In the year 1939-40, taxes paid by people with annual incomes over £2,000 (\$8,000) had gone up by 40% as compared with the year 1929-30. But taxes paid by those with annual incomes under £500 (\$2,000) had gone up by 65%.

A purchase (sales) tax went into effect on October 21, 1940. The consumer paid at the rate of 12% on clothing and household necessities, and 24% on non-essentials. With the total new indirect taxes levied during the war, a typical family with a weekly expenditure of \$20 paid over 5% of it in taxes, as compared to only 3% before the war. Main purpose of the purchase tax was explained by Sir John Simon, Chancellor of the Exchequer (April 23, 1940):

The tax will put no sort of obstacle in the way of export trade, but we must be resolute in reducing consumption at home. It is the deliberate intention of such a tax as this to do so. (*Labour Research*, May, 1940.)

Rationing and Shelters: British workers' consumption was further decreased by rationing of supplies. On January, 1940, sugar was limited to 12 ounces a week per person, about one-quarter of normal consumption, bacon to four ounces, and butter to four ounces. On September 30, 1940, the butter ration was cut still further to two ounces per week per person. On November 28, 1940, Lord Woolton, Minister of Food, announced a ban on imports of "non-essential" fruits and possible curtailment of meat imports. Meat rations were cut in December, 1940, and in January, 1941, down to 1s 2d (about 25 cents) weekly for adults and to 7d (14 cents) for children. Yet at the same time meat and other rationed products were available in restaurants and stores to the wealthy who could afford exorbitant profiteering prices.

During the three months, September-October-November, 1940, 17,876 people were killed and 25,512 injured, in air raids. The brunt of this mass murder fell on working people, who, by necessity, live near factories which are the first targets of aerial war. The

British government did not build adequate and deep enough shelters, because of the "excessive cost," they claimed. Only under heavy popular pressure were some abandoned homes of the well-to-do opened as shelters for the homeless working people in September, 1940. Under similar pressure, led by the Communist Party, the government opened subways for public shelters and considered building large, deep air raid shelters, as advocated for several years by the well-known scientist, J. B. S. Haldane.

People's Convention: On January 12, 1941, 2,234 delegates, representing 1,200,000 members of trade union, church and professional groups, held a People's Convention in London to form a national organization to work for an eight-point program:

1. Defense of the people's living standards; 2. Defense of the people's democratic and trade union rights; 3. Air-raid protection; 4. Nationalization of productive facilities to end profiteering and speculation, and to organize production in the interests of the people; 5. Freedom for India and an end to enforced partition in Ireland; 6. Friendship with the Soviet Union; 7. A people's government; 8. A people's peace.

LABOR IN WARTIME: FRANCE

The Popular Front government which had won large gains in progressive legislation for the French workers began to lose power early in 1938. With the aid of recurrent "war crises" in 1938 and 1939, the Daladier government obtained increasing control over trade unions and during the war completely abolished Popular Front gains.

Requisitioning Labor: On March 19, 1939, the government acquired the right to rule by decree. Decree of July 17, 1939, for mobilization of the armed forces and requisitioning industry and labor, provided for registration of all male citizens over 18 years of age. Those not subject to military service were drafted for industry. Regulation of labor was placed under Minister of Labor's direct control. By August 24, 1939, requisitioning for war industries was complete. Workers thus drafted could not change jobs without permission. Imprisonment was the penalty for striking, leaving work or refusing to obey orders. By the spring of 1940, of 1,250,000 men employed in munitions plants, about 800,000 had been requisitioned, and 450,000 conscripted under special assignments.

With more than three million peasants in the army, autumn wheat sowing in 1939 was some 50% below normal. By decree on March 23, 1940, all farmers and rural laborers (including mechanics) were forbidden to seek work in towns.

Civil Rights: Even before declaration of war, civil liberties had been widely curtailed by the government. *L'Humanité*, Communist newspaper, and other progressive publications were closed down in September, 1939. By mid-March, 1940, 161 newspapers had been banned. On September 26, 1939, the Communist Party, third largest party in France, was declared illegal, although it had two senators and 72 deputies representing 1,500,000 voters. M. Sarraut, Minister of the Interior, announced, March 23, 1940, that 2,778 Communist members of municipal councils had been suspended; 675 Communist "controlled" organizations had been shut down (not including unions); and 3,400 "agitators" had been arrested and interned in concentration camps. On April 4, 1940, the military court sentenced on frame-up charges 44 Communist members of the Chamber of Deputies to four to five years in prison with fines of 4,000-5,000 francs apiece, and deprived them of their civil rights.

Labor Unions: On September 25, 1939, the executive board of the General Confederation of Labor (CGT), principal trade union body in France, expelled all known or suspected Communists. A total of 620 unions were dissolved and many others were "reorganized" by reactionaries.

By decrees of September 1 and 26, 1939, collective bargaining rights and arbitration systems, previously won by the Popular Front, were suspended. The government abolished the shop steward system, by requiring that free elections of workers' representatives be discontinued. The shop steward was to be "nominated" by the "recognized" union rather than by the workers in the shop.

Through such measures, the unions became practically subservient to the military authorities and the government. In 1937, at the peak of the Popular Front, the CGT had 5,000,000 members; by April, 1940, membership had declined to 1,200,000.

Hours: The 40-hour work week, achieved in 1936 under the Popular Front government, was abolished by decrees on September 1 and 10, 1939, and by subsequent orders. Maximum was raised to 60 hours a week, but in certain establishments (national defense or public service) a 72-hour week was permitted. Miners were given a

52½-hour week maximum, as compared with the normal pre-war work week for underground laborers of 38¾ hours. Legal working week for farm laborers was also increased to 60 hours. On October 30, 1939, power to suspend all vacations was given to Daladier.

Wages and Cost of Living: By decrees of September 1 and 26, 1939, wages were regulated by the government. Overtime rates were not payable except for hours worked above 60 weekly. On November 15, 1939, the government became the final arbitrator of wage levels in private and state industries. Rates were stabilized around the levels of September 1, 1939.

Real wages were reduced by a marked increase in living costs. A general rise in prices began in November, 1939, and continued steadily, despite decrees to stabilize prices. The rise in cost of living during the war to June, 1940, was conservatively placed at 15% to 20%.

Taxation and Rationing: During the war, wages were reduced principally by heavy taxation on the French working people's income. Taking into account the 15% war surtax on wages, there was a 25% fall in hourly wages in the first five months of the war.

National Solidarity Fund, to provide for needy dependents of mobilized men, was maintained largely by levies on wages. Workers of military age (18-49), not mobilized, had to contribute 15% of their wages to the fund. All other workers paid a tax of 5% on wages and salaries above a yearly minimum. A family compensation tax was paid by those with no children. During the war, the typical worker was working 60 hours weekly instead of 40. If he had no children, and although of military age had not been mobilized, his wages were subject to a deduction of nearly 35% or over one-third, through taxation. The most heavily taxed man, working 60 hours weekly, received a little less than he formerly received for 40 hours.

Domestic consumption of goods was curtailed in France through limitation of purchasing power and later through rationing. Meat shops were closed three consecutive days a week, and limitation placed on sale of articles made with sugar. In May, 1940, ration cards for bread were distributed.

Under Fascist Rule: The collapse of France was followed by the Franco-German armistice signed June 22, 1940. The French government, under Marshal Henri Philippe Petain, was set up in "unoccupied" France

at Vichy. Petain was granted full dictatorial powers. Vichy government decrees, intensifying repressive laws passed before France fell, were strikingly similar to legislation in Nazi Germany: suppression of civil rights, anti-semitic laws, forced labor camps for youth. Strikes and lockouts were banned by the Petain regime. In an interview, July 13, 1940, Pierre Laval, then vice-premier, said: "The government will stimulate the formation of corporative groups of workers and employers, which will negotiate directly between themselves, with the government standing off as supreme arbitrator." The movement for labor-employer government "unions" had actually started as far back as October, 1939. On November 12, 1940, the CGT was abolished along with other labor unions.

Famine and Unemployment: Widespread shortage of food in France resulted from destruction of crops and harvests during the war, from the British blockade and confiscation of supplies by Germany. Population of unoccupied France was increased by some seven million refugees. On November 20, 1940, the Vichy government instituted strict rationing. Bread was rationed at 12½ ounces daily, per person; fats and butter at four ounces weekly, meat at 12 ounces weekly, and other foodstuffs and fuels drastically curtailed. Similar rations were imposed in occupied France.

During winter of 1940-41, France suffered from a most severe coal shortage, particularly in the Paris region. In unoccupied France, it was reported that 2,000,000 children faced severe malnutrition in January, 1941.

The Minister of Labor at Vichy estimated that there were 700,000 unemployed in all France in January, 1941. Out of the 450,000 jobless persons in the Paris area, only one-fourth were fit for any labor requiring the slightest physical effort, according to the High Commissioner for Unemployment. More than one-fourth of the unemployed and their families were suffering from heart trouble or physiological deficiency. This was believed to be the result of under-nourishment.

LABOR IN WARTIME: GERMANY

Germany did not need to shift to a war economy at the start of the second imperialist war. During the Nazi regime this shift had already been largely accomplished. Labor had been completely regimented with the trade unions destroyed and replaced by Nazi-controlled company unions presided over by employers.

Labor Decrees: Sweeping government decrees on September 3, 1939, lowered wages, lengthened hours, bound workers to employers,

and deprived them of freedom of movement. They were prohibited from quitting their jobs.

These decrees were followed by a rapid decrease in production and an alarming increase of industrial stoppages. This was due partly to "slow-down" strikes and partly to exhaustion through speed-up and under-nourishment.

Although some of these decrees were slightly modified, other decrees in January and March, 1940, imposed prison terms on workers refusing to perform required labor service or who encouraged others to refuse.

Unemployment: As an article in the *Magazine of Wall Street* put it, December 14, 1940: "Any nation can bring about a high level of employment if it drafts enough men into the armed forces and spends enough on armaments...Hitler has also solved an unemployment problem." Hitler "solved" it by having some seven million men mobilized in the army in 1940 and by throwing thousands into concentration camps. A shortage of skilled labor was even claimed in 1940, although official figures for Greater Germany in April, 1940 showed 105,000 still registered as unemployed. At the same time restrictions on output of consumer goods had increased to about one million, the number having only part-time employment.

Hours: Immediately after the war began the working day was extended from eight hours to ten and in some industries to as much as 16. No maximum was fixed in certain cases, so it was impossible to tell when nominal "overtime" began. Later, in December, 1939 and January, 1940, regulations set the usual working day at ten hours. Paid vacations, prohibited when the war started, were restored with certain limitations, to permit workers to recuperate from the speed-up and long hours of exhausting toil.

Wages and Cost of Living: Censorship has made it difficult to obtain accurate figures on living costs in Germany. Report in *Monthly Labor Review* (U. S. Bureau of Labor Statistics) June, 1940, said that wartime wages were definitely lower than prewar and that prices of necessities were considerably higher.

In the *New Republic*, May 27, 1940, Fritz Sternberg estimated that in 1940 the 21 million workers then employed could buy no more with their total wages than the 12.5 million employed in 1932.

Lowest pay was of course received by prisoners. In October,

1940, it was estimated that there were about 1.5 million prisoners of war working unlimited hours for about ten cents a day.

Taxation: Even before the war, taxation of the workers was exceedingly heavy. In 1937, deductions and taxes swallowed up over 23% of nominal wages. In 1940 it was estimated that the state automatically took 29% of worker's wages through deductions made by the employer. Actually, under Nazi system there was no need to increase taxes further on the worker in wartime, since wages were reduced, hours lengthened, and savings in labor costs thus effected were in effect paid into the Reich treasury.

Rationing: Necessities of life have been rationed from the beginning of the war when bread, flour, meats, fats, sugar, marmalade, eggs, whole milk, coffee substitutes, oatmeal, rice, potato meal were put on the list. In Berlin and other large cities the workers' staple food, potatoes, were virtually rationed by April, 1940.

By October, 1940, the common people were faced with almost a starvation diet. About one-half pound of butter was allowed per person per month and no cooking oils were obtainable. It was estimated that consumption of fats was 41% less than prewar, meat 43% less, eggs 71%, sugar 11%. One small cake of poor quality soap was allowed each person per month. Clothes, rubber, gas and coal were also strictly rationed. Luxuries, of course, were procurable by the rich, who, as in other warring countries, could live well enough while the plain people faced near starvation on the rationed fare.

Jewish people were most severely hit by the rationing system. They could buy only during one hour in the afternoon, when stocks were already exhausted. They could purchase only rationed food-stuffs (milk was entirely forbidden to Jews), and they could not obtain any extras at any price. They were not allowed to buy coal or clothing and were forced to live in unheated houses during the winter.

LABOR IN WARTIME: ITALY

The Italian people have suffered for five years from effects of a series of imperialist wars: 1935-36, in Abyssinia; 1936-39, in Spain; and 1939-40, in Albania, Greece and Africa. Premier Mussolini entered the war on Germany's side, June 11, 1940. His active campaign in Greece started in October, 1940.

Cost of Living and Wages: From start of the Ethiopian war (1935), to June, 1940, prices of all necessities rose about 90%, or almost doubled. Price of clothing increased 400% from 1936 to 1940. Disastrous price rises were caused by dumping goods abroad at below-cost prices and compensating by raising prices in domestic market; by the "autarchy" policy of producing inferior, dearer substitutes instead of importing goods; and by the tremendous military expenditures.

Between Italy's entrance into the war (June, 1940) and the end of November, food prices rose 33%. (*N. Y. Times*, Nov. 30, 1940.) Due to unrest among the people, wages and salaries were increased 10% to 15% by decree (March, 1940), but this did not compensate for rising living costs.

By December, 1940, rising prices had aroused such widespread discontent that even the fascist magazine, *La Vita d'Italia*, owned by the newspaper, *Il Regime Fascista*, published a sharp protest. It stated in part:

With things increasing in price at this rate, can wages and salaries, etc., remain unaltered? It is not enough just to fix or "block" a few prices, or to create the so-called single-type product. Is there anyone who imagines that prices are blocked and that profiteers have disappeared while the mass of the people is submitting, with admirable discipline, to limitations of its standard of living? (*N. Y. Herald Tribune*, Dec. 10, 1940.)

Rationing: The British blockade which began in September, 1939, cut off more than 80% of Italy's imports, according to the U. S. Department of Agriculture, and increased the danger of a severe food shortage. (*N. Y. Times*, Nov. 30, 1940.) Ration cards were first distributed in January, 1940. On September 30, 1940, the government's severest rations were imposed, allowing less than one pint of olive oil to each person a month, and about ten ounces of butter or lard. Normal consumption of these items was half again as much. The sale of coffee was already completely prohibited.

In October, 1940, it was officially announced that four meatless days a week saved about 10% of the normal beef consumption of the civilian population. Later five meatless days were decreed. On December 2, macaroni, rice and spaghetti were rationed to four pounds monthly per family. Normal consumption of these staples was about 20 pounds per month. It was estimated that consumption of bread, principal food in Italy, had been reduced 50% in the

five years from 1935-1940. Despite suffering and fear of food shortages, it was disclosed on December 5, 1940, that Italy had signed an agreement with Germany to increase food exports to the Reich, particularly of fruits and vegetables. (*Foreign Policy Bulletin*, Dec. 13, 1940.)

Taxation: From 1935 to 1939 inclusive, Italy's state expenditure exceeded revenue by nearly three billion dollars. About eight years' normal revenue was expended in five years. The war deficit hit the working people and peasants most heavily. Of the 1940 budget, 31% was for military purposes.

In 1940, out of a typical worker's monthly average wage of 500 lire (about \$26.25), 120 lire or 24% were taken by the state through taxes and deductions. A worker had to pay 1% of his wages for "family benefit" and 2% if he worked over 40 hours a week. For "winter benefit" he paid 1.5% in summer and 3% in winter. There was a 1% colonial benefit tax, payments to the maternity fund, the celibacy tax for unmarried men, the invalid fund, the old-age fund, and an unemployment tax.

Control of Food Supplies: On December 29, 1940, Minister of Agriculture Giuseppe Tassinari was appointed supreme authority of food control to regulate production and consumption, exports and imports of food for civilians and armed forces. Tassinari was authorized to call on the Ministry of Guilds, transportation companies and armed forces to help him. He thus became second to Premier Mussolini in power.

New laws at the end of 1940 also decreed death penalties for extreme cases of food-hoarding or destruction of materials and agricultural products. It tripled already severe penalties for violations of laws on pooling, wholesaling and distribution of food.

Control of Labor: Under fascism, labor in Italy had been completely regimented (see *Labor Fact Book IV*). In preparation for entering the war, the government instituted a Civil Mobilization Act (May 31, 1940), providing for universal service for all men from 14 to 70 years and all women from 14 to 60 years. In wartime, everyone not seriously ailing is compelled to work in industry as directed by the government. Penalties for evading service were from six months to five years in jail and with fines from about \$16 to over \$500.

Despite the "work-or-fight" war regulation there were still about

1,000,000 unemployed in Italy at the end of 1940. In Milan, one of the biggest industrial centers of Italy, 35% of all industrial workers were unemployed or working short time at the end of October, 1940; 42,000 persons were on the unemployment register.

An emergency measure, September 9, 1939, provided that restrictions on maximum working hours under collective agreements be suspended. It recommended also that the Saturday half-holiday be suspended and that the Minister of Corporations permit exceptions to the prohibition on night-work.

SPAIN UNDER FRANCO

If the Spanish Republic had been victorious in its defense of democracy, experts agree, that alone would almost certainly have prevented outbreak of the European war in 1939. But after 32 months of warfare against the elected Republican (Loyalist) government of Spain, General Francisco Franco with his rebel fascist troops marched into Madrid on March 28, 1939.

U. S. government immediately (April) officially recognized Franco's (Nationalist) regime in Spain. President Roosevelt by proclamation the same day ended the embargo which had prevented Loyalists from obtaining arms and ammunition in this country. The United States had successfully helped Hitler and Mussolini to crush democracy in Spain.

Up to the very end Loyalist forces had not lost hope of victory. They still held the rich central area, one-fourth of Spain, with nearly a million men under arms; their factories were making munitions. But treachery among high Army officers (the real "fifth column") in Madrid early in March, 1939, gave rise to false rumors, confusion and disunity. Loyalist appeals against surrender came too late.

Fascists in Spanish War: After war ended, Italy and Germany officially boasted of their part in destroying the Republic. Adolf Hitler in his speech, June 6, 1939, admitted that Nazi contingents were first sent into Spain in July, 1936, when Franco's revolt began. The Italian Royal Navy carried over 100,000 men with airplanes, tanks, cannon and full equipment from Italy to Spain in the early months of the war. (*N. Y. Times*, June 8 and 11, 1939.) These invading fascist armies defeated heroic Spanish Loyalists who were

continually handicapped by lack of modern war machines, as the French and British governments refused them support.

International Brigade: About 10,000 foreigners of the International Brigade who as volunteers had aided the Loyalists for nearly two years were withdrawn from Spain in autumn of 1938, on request of so-called Non-Intervention Committee. On October 29, 1938, some 6,000 of these brave men from all over the world marched through Barcelona streets in tattered uniforms, showered with flowers by grateful Spanish people.

These International Brigaders had shared in many decisive battles, including the famous crossing of the Ebro River in July, 1938, when the Rebel advance was halted. Americans in the Brigade have been described in Edwin Rolfe's *The Lincoln Battalion*. On returning to United States, these men organized as Veterans of the Abraham Lincoln Brigade, and many of them took an active part in the American labor and progressive movement.

Trade Unions Abolished: Under General Franco as "The Chief," the Spanish government is now patterned after totalitarian regimes in Germany and Italy. By decree of April 30, 1939, Franco abolished the CNT and UGT, Spain's two central labor organizations with a combined membership in 1938 of about 3,600,000. Now all employees, including executives, must belong in vertical syndicates under the Phalangist (fascist) National Trade Union Organization. This company union system is similar to the German Labor Front.

All property of former trade unions was seized by the Spanish Phalanx by decree of September 23, 1939. The so-called "Labor Charter" forbids formation of any independent trade unions.

Main weapon of labor, the strike, is prohibited. Compulsory arbitration under a system of labor courts was established by a 1938 decree in territory then held by Franco and later extended to all Spain. (*Monthly Labor Review*, Sept., 1940.) Despite the ban on strikes, widespread struggles against high prices and for wage gains have been reported in many parts of Spain.

Civil Rights Destroyed: Franco's "Law of Political Responsibilities" announced February 9, 1939, made liable to punishment all who had organized the 1936 elections; all who were government candidates for the Cortes in 1936; all charged with missions of trust by the Popular Front; and all who directly or indirectly served Republican Spain or who "have not combated it." It outlawed 26 specified organizations and all affiliated

groups—including all mutual benefit societies and Masonic lodges. Penalties included imprisonment, confiscation of property, loss of civil rights, banishment, or death.

Immediate executions and countless arrests followed. According to reliable reports received by the United American Spanish Aid Committee, by December, 1940, Franco had already executed 300,000 anti-fascists within a period of 20 months. Anyone who was an officer of a central trade union organization before the war received an immediate death sentence, although a few succeeded in having sentence commuted to 30 years in prison.

At least 500,000 Spanish Republicans were still in prison in 1940, according to conservative estimates. (Foreign Policy Reports, *Spain After Civil War*, May 15, 1940.) Many have been tortured in prison until some have committed or attempted suicide.

Among those executed were Luis Companys, former president of Catalonia; Feliciano Valentin, union leader in the Clerks division of the UGT and an aviation officer in the Loyalist army; and Benito Bravo, leader of the Asturian miners. A 60-year-old civil servant, former head of the Madrid post office, was sentenced to 30 years in prison for the crime of continuing his work under the Republic.

By special decree employers have the right to dismiss any workers suspected of having taken part in political, trade union or military activity under the Republic. Employers must inform police of such dismissals which thus form a blacklist.

Peasants who received land under the Republic have been evicted and denied the right to rent any of this land. Those who took part in management of collectives or co-operatives have been arrested.

Further regimentation of the Spanish people was proclaimed, December 6, 1940, when Franco announced a new "syndical law" setting up a network of state organizations, with control over every branch of life, to make the whole population into "an orderly militia." The fascist party through the National Youth Front was given full charge of the political and "pre-military" training of Spanish youth until they enter the army.

Working Conditions: The eight-hour working day which was the standard under the Republic has been replaced by the 10-hour or 12-hour day.

Wages have been cut, in some cases as much as 75%. Mechanics who were getting \$2.40 to \$3.60 a day before unions were abolished were receiving from \$1.40 to \$3 in 1940. Building trades wages which used to range from \$2.40 to \$3 a day were cut down to 80¢ and \$1 a day.

In apportioning jobs preference is given to ex-combatants of the Nationalist Army. Among unskilled workers unemployment is widespread although exact figures are not known. Much of the unskilled

manual labor is done by "hundreds of thousands of political prisoners ... while former Republican sympathizers who do not happen to be in prison have last call for any available jobs." (Foreign Policy Reports, *op. cit.*)

Entire system of social legislation to protect workers and provide more social security was abolished by Franco's decrees. He not only destroyed laws passed by the Republic between 1936 and 1939 but also the meager social legislation existing previously under the monarchy.

Cost of Living: Despite government price-fixing, food products cost the consumer in 1940 from 50% to 200% more than in 1936. After outbreak of war in Europe, when the pound sterling declined in exchange value, Franco reduced the Spanish peseta's value by 10% to promote exports. This move resulted in increased prices within Spain. "Owing to unprecedented high costs of food and other essentials, the standard of living has been lowered for all wage earners," the Foreign Policy Association reported in May, 1940.

Taxation and Rationing: All indirect taxes weighing most heavily on the working population have been increased. Such necessities as sugar and petroleum were taxed 10% to 20% under a special "reconstruction" tax. Beer is also taxed.

Franco's government halved the bread ration on April 30, 1940, reducing daily amount per person from 250 to 125 grams. Bakeries were allowed to sell bread only on alternate days. Ration cards in 1940 were issued for such staple food items as beans, chick peas, rice, potatoes, sugar, olive oil, flour, milk, butter, eggs and most meats. Meat was available about once a month and butter not at all. Many persons in Madrid in autumn of 1940 were getting only one meal a day served in the street from a soup kitchen.

As a result of food shortage, especially of milk, eggs and butter, the health of the Spanish people has suffered profoundly. Tuberculosis, a disease of poverty and undernourishment, has increased.

WAR REFUGEES

Homeless war refugees stranded in southern France in January, 1941, numbered about 7,000,000, according to estimates of refugee aid committees in the United States.

When France became fascist following Germany's victories in

June, 1940, tens of thousands of anti-fascists and foreign refugees were interned in French camps or "shelter centers." Conditions in these internment camps were described in January, 1941, as "more than horrible" by refugees who were finally able to reach America.

Prisoners of course suffered first and most from shortage of food common throughout France. Starvation rations left many prisoners too weak to stand up. In one camp nearly all of the 15,000 inmates were stricken with cholera and nearly 500 died. Typhoid was common in many camps. Facilities were lacking for medical attention and even for burial of the dead.

In the internment camp at Aix in Provence, described by the anti-fascist writer, Lion Feuchtwanger, nearly 3,000 prisoners were kept in an abandoned brickyard. Water was so scarce that prisoners drank what was intended for washing. There were only seven toilets for about 3,000 persons.

Spanish Refugees: In February and March, 1939, when a fascist victory was clearly inevitable in Spain, about 500,000 Spanish Republicans, men, women and children, fled over the border into France to escape terror instigated by General Francisco Franco. In France they were herded into concentration camps where they suffered terribly from cold, hunger and lack of any conveniences. With France's defeat (June, 1940) the position of these Spanish refugees became more than ever unbearable.

In January, 1941, about 150,000 Spanish Republicans still remained in French camps, since death warrants awaited most of them in Franco's Spain. Yet the Vichy government was threatening to send them back to Franco's firing squads. Many who had been driven out of France earlier in 1940 had already met death or imprisonment at the hands of Spain's dictator.

The American Rescue Ship Mission, organized by the United American Spanish Aid Committee, announced in February, 1941, it had chartered a ship to bring some 500 of these Spanish exiles to Mexico. The Vichy government had agreed to let them go. Mexico had agreed to accept them. Some 40 AFL and CIO international unions, central bodies and locals contributed about \$2,000 to this rescue ship project. The United American Spanish Aid Committee in December, 1940, requested President Roosevelt to use \$15,000,000 of the \$50,000,000 refugee-aid funds given him by Congress, to finance transportation of refugees to Mexico.

PEACE MOBILIZATION

Yanks Are Not Coming Movement: Polls conducted by American Institute of Public Opinion (Gallup poll) between September, 1939, and May, 1940, revealed that over 96% of American people opposed U. S. participation in war. Progressive trade unions, youth organizations and other groups during this period were rallying around the slogan, "The Yanks Are *Not* Coming." Peace clubs and committees, using the slogan as a name, were formed in many parts of the country. Their activities led to trade union demonstrations against war on April 6, 1940.

Shortly after the April 6 demonstrations, the New York Peace Association was formed as a coordinating body to unite various neighborhood and community peace organizations in New York City area. Similar neighborhood peace groups were formed in many other cities.

Emergency Peace Mobilization: As war hysteria and war preparations of the Administration increased, May-August, 1940, the Committee to Defend America by Keeping out of War was organized and called for an Emergency Peace Mobilization to be held in Chicago, August 31-September 2, 1940. This conference, popularly known as EPM, grew out of efforts of trade unions, American Youth Congress, peace clubs and other organizations for a national conference of all peace forces to formulate a peace program and to meet the menace of conscription legislation.

The Chicago mobilization brought together about 6,000 accredited delegates from 39 states and the District of Columbia, representing labor, farm, church, youth, fraternal, political, cultural and women's organizations with a total membership of about 12 million.

American Peace Mobilization: Out of the Chicago Conference came the American Peace Mobilization, a permanent national organization to carry out a program to keep the country out of war.

APM is organized on a neighborhood basis in "Volunteer For Peace" clubs of from five to 15 members each. These clubs function under community councils. Coordinating all the community councils is the National Council of 100, and a national office. By December, 1940, APM had one or more councils in 54 cities, plus smaller groups in 134 other communities.

APM conducted a mass anti-war demonstration in Washington,

D. C., September 5, 1940, which was attacked with extreme violence by capital police. Afterwards, APM won a special ruling on its local right to distribute anti-war literature. APM organized mass meetings in over 30 cities on Armistice Day, designated as "American Peace Mobilization Day."

In January and February, 1941, large delegations from APM locals and trade unions went to Washington to protest war moves and the lend-lease bill. The organization has locally supported such action as protest by farmers in Will County, Ill., against eviction from land to be used for a new duPont munitions plant, and protests in southern California against refusal to hire Negroes in defense industries.

People's Meeting: On April 5-6, 1941, American Peace Mobilization held the American People's Meeting in New York City, bringing together 4,225 regular delegates and 748 elected observers from 40 states. Delegates included 1,717 from trade unions and representatives from peace groups, fraternal, church, farm, women's and youth organizations. This People's Meeting adopted a 7-point program, summarized as follows:

1. "Get out and stay out of World War II." Opposition to every new step towards involvement, including convoys or a new AEF and termination of the present military alliance with the British Empire.
2. Defense and improvement of American standard of living.
3. Regain and strengthen our constitutional liberties. Defend the right to strike; resist attacks on free education; defend every victim of Hitler-like persecution; equal rights for the Negro people and an end to anti-Semitism.
4. Take the burden of the war off the backs of the poor. Conscript wealth; confiscate war profits; stop the profiteering and unjust taxation of the poor.
5. Protect the rights of the conscripts.
6. Let our foreign policy wage peace. For the friendliest relations with the peoples of Latin America, based on their right to fully resist exploitation of American monopoly; no help to the foes of China within or without, but real aid to United China's struggle for freedom; genuine independence of Puerto Rico and the Philippines; friendly relations with the Soviet Union, to prevent further extension of war.
7. For a People's Peace. For a peace without indemnities, without annexations, based upon the right of all people in subjugated or colonial countries to determine their own destinies.

III

LABOR AND SOCIAL CONDITIONS

INCOME GROUPS

MORE THAN a million (1,162,890) *families* in United States received incomes of less than \$250 in 1935-36, as shown by the National Resources Committee in its report on *Consumer Incomes in the United States* (1935-36). This comprehensive study of income distribution, the first since the Brookings Institution estimates for 1929, revealed further:

More than 4,000,000 families or 14% of the total had incomes less than \$500.

Nearly 8,000,000 families or 27% had incomes less than \$750.

Over 12,250,000 families or about 42% had incomes less than \$1,000.

Over 19,000,000 families or about 65% had incomes less than \$1,500.

Over 23,240,000 families or 79% had incomes less than \$2,000.

Over 25,700,000 families or 87% had incomes less than \$2,500.

Only about 793,000 families or less than 3% had incomes in excess of \$5,000.

About 284,000 families or less than 1% had incomes in excess of \$10,000.

At the very top was a little group of 75 families each having in 1935-36 an income of \$1,000,000 and over.

Nearly two-thirds of all families had incomes of less than \$1,500 and their average was only \$826 a year—\$69 a month for a whole family.

When single individuals were included in income estimates the National Resources Committee found that nearly one-third (32%) of the total number of families and single individuals had incomes under \$750, nearly one-half (47%) received less than \$1,000, and more than two-thirds (69%) received less than \$1,500. Four-fifths (82%) had less than \$2,000 a year.

For the lowest third, including nearly 12.5 million spending units (families and single individuals), average income was only \$455.

Here are the figures on the distribution of income among the nearly 40 million units in 1935-36:

Income level	Spending Units		Amount	Percent	Average income
	Number	Percent			
Under \$750	12,482,871	31.6	\$ 5,677,154	9.6	\$ 455
\$750-1,500	14,610,501	37.0	15,827,729	26.7	1,083
\$1,500-3,000	9,620,011	24.4	19,451,563	32.8	2,022
\$3,000-5,000	1,818,269	4.6	6,643,463	11.2	3,654
\$5,000 and more..	926,648	2.4	11,658,719	19.7	12,582
	39,458,300	100.0	\$59,258,628	100.0	—

Nearly 10% of the \$59 billion consumer income went to 178,000 families and individuals who had incomes of \$15,000 and over. Representing only one-half of 1% of the population, they received almost as much as the whole lower third.

Negro Family Income: A comparison of Negro families' income with white families in the same area, included in the National Resources Committee survey, showed that Negroes averaged in 1935-36 less than half what white families received. The "mean" average income of non-relief white families in the South was nearly three times that of non-relief Negro families.

Although the difference was somewhat less marked in North Central cities, the average income for Negro families was less than half that for white families, as shown in the following figures:

Region and type of community	Average income per family (non relief)	
	White	Negro
Southern rural communities	\$1,535	\$ 566
Southern cities (2,500 pop. and over)	2,019	635
North Central cities (100,000 pop. and over)	2,616	1,227

But these figures do not include families on relief. If those on relief were included, the Negroes' average family income would be still lower than the amounts shown above.

WORKERS' REAL INCOME

Money income per member of the working population in the United States averaged only \$1,155 in 1940. This was about \$200 or nearly 15% below the 1929 level, Labor Research Association estimates. "Working population," as used in this estimate, includes

all employed and unemployed workers and salaried employees, but not corporation officials.

Trend in workers' money income during the past decade is shown in the table below. It indicates the marked decline in labor's living standards during years of crisis and depression; some degree of "recovery" through 1937; and decline again in 1938. Slight rise in average money income between 1939 and 1940 amounted to only \$52, or only \$1 per week.

Taking account of changes in cost of living, Labor Research Association has estimated average *real income* of the working population, or wages in terms of buying power. Standard indexes of living costs showed little increase during 1939 and 1940, so that real income apparently rose with money income.

Year	Money income per member of working population ^a		Cost of living index		Real income per member of working population
	In dollars	Index 1929 = 100	(1929 = 100)	Index 1929 = 100	
1929....	\$1,353	100.0	100.0	100.0	
1930....	1,218	90.0	96.7	93.1	
1931....	1,047	77.4	87.1	88.9	
1932....	805	59.5	77.8	76.5	
1933....	754	55.7	74.8	74.5	
1934....	867	64.1	79.3	80.8	
1935....	933	69.0	82.5	83.6	
1936....	1,065	78.7	84.7	92.9	
1937....	1,120	82.8	88.4	93.7	
1938....	1,051	77.7	86.3	90.0	
1939....	1,103	81.5	85.1	95.8	
1940....	1,155	85.4	85.2	100.2	

^a Revised LRA series based on revised income payment data published by the U. S. Department of Commerce, *Survey of Current Business*, October, 1940. Working population series prepared by the LRA and used in this estimate was revised on basis of available preliminary results of the 1940 census of population. For brief explanation of the method used in the table, see *Labor Fact Book IV*, p. 74.

Labor's Share Declines: Taking all income payments as shown in Department of Commerce figures, Labor Research Association has computed labor's share of total national income. It is not possible, however, accurately to measure capital's share of national paid-out income, since part of it is reinvested in business and held in the form of surplus and undistributed profits. Measuring capital's share

by actual income payments received thus gives an understatement of what capital receives. While income payments measure quite accurately what labor gets, they fail to show fully the amount that goes to the capitalist class.

Even with this obvious understatement of capital's share, Labor Research Association finds that labor's share of national income has declined from 63% in 1938, to 62.9% in 1939, to 62.6% in 1940.

COST OF LIVING BUDGETS

Works Progress Administration study in March, 1935, found that in 59 cities of the United States the average cost of a budget for a 4-person manual worker's family at a "maintenance" level was \$1,261. This budget is characterized as "not so liberal as that for a 'health and decency' level which the skilled worker may hope to obtain, but it affords more than 'minimum of subsistence' living." (*Monthly Labor Review*, Jan., 1940.)

This WPA budget provides for "adequate" diet at minimum cost, with a restricted list of foods. Housing allowed is 4- or 5-room house or apartment in fair state of repair, with indoor bath and toilet for the family's exclusive use. Budget includes inexpensive radio, one daily newspaper, movies once a week and life insurance premiums at \$46 a year.

This budget cost \$1,354 in December, 1940. (See AFL's *Labor's Monthly Survey*, Feb., 1941.)

The Heller Committee for Research in Social Economics at University of California priced its budget for a 5-person family of a skilled wage-earner in San Francisco in March, 1940, at \$2,184. This Heller Committee budget provided "adequate food at low cost" (28% of the budget); a 5-room house or apartment in a working class neighborhood (27% of the budget); a radio; a second-hand automobile; and a small life insurance policy. It was "designed to meet accepted requirements of health and decency."

Mordecai Ezekiel, economic adviser of the U. S. Department of Agriculture, set an income of \$2,500 as necessary at 1929 price levels to furnish an average city family of four persons with what he called the "American standard." U. S. Bureau of Labor Statistics estimates that this budget, adjusted to dollar values in 1934-1936, would then have cost \$2,015.

This Ezekiel budget is described as providing a "decent" standard of shelter and clothing and "adequate" food. Comforts of civilization "which many Americans have come to regard as necessities" would include running water, modern plumbing, adequate heat, telephone and electric light, newspapers, magazines and books, minimum of health care from doctors and dentists, an automobile, and some opportunity for travel, recreation, amusement, and higher education. But Ezekiel admits that an annual income of \$2,500 (at 1929 prices) "would probably not be high enough for most families to enjoy all the comforts listed." (*Monthly Labor Review*, Jan., 1940.)

"Minimum Health and Decency Budget": Inadequacy of the average money income per member of the working population is strikingly revealed when compared with the so-called "minimum health and decency budget" first compiled by U. S. Bureau of Labor Statistics in 1919. Even this budget, covering the minimum of food, clothing, housing and other bare necessities for a family of five for one year, is generally considered to be inadequate.

On the basis of this "minimum budget" and U. S. Bureau of Labor Statistics cost of living figures, Labor Research Association has estimated the cost of such a budget for United States as a whole each year from 1929 through 1940 and for certain cities in 1940:

MINIMUM HEALTH AND DECENCY BUDGET, U. S. A., 1929-1940

Year	Average cost	Index (1929 = 100)
1929	\$2,348	100.0
1930	2,294	97.7
1931	2,110	89.9
1932	1,916	81.6
1933	1,804	76.8
1934	1,856	79.0
1935	1,900	80.9
1936	1,922	81.9
1937	1,978	84.2
1938	1,956	83.3
1939	1,940	82.6
1940	1,958	83.4

Table (p. 64) shows the cost at 1940 price levels of two budgets for a worker's family in certain selected U. S. cities: (1) the inadequate "minimum health and decency" budget; (2) a somewhat more ade-

quate "skilled worker's budget." Larger budget allows a little more clothing and more household equipment. But with two-thirds of U. S. families earning less than \$1,500 annually (see p. 59), even the inadequate "minimum budget" is out of reach unless more than one member of a family is employed.

	<i>Cost of "minimum health and decency budget"</i>	<i>Cost of "skilled workers' budget"</i>
	<i>December 15, 1940</i>	
New York City	\$1,849	\$2,885
Brooklyn, N. Y.	1,944	"
Schenectady, N. Y.	1,788	"
Rochester, N. Y.	1,963	"
Chicago, Ill.	2,001	2,355
San Francisco, Calif.	2,262	"
Philadelphia, Pa.	1,983	2,162 ^b
Minneapolis, Minn.	2,152	2,505
Reading, Pa.	1,770	2,057
Los Angeles, Calif.	2,122	"

^a No report. ^b Scranton, Pa.

Cost of the low minimum budget and of course the "skilled workers'" budget in every one of these industrial cities greatly exceeds the average annual income of the American worker. Average money income per member of the working population was only \$1,155 in 1940 (see p. 60 ff.).

WARTIME INCREASE IN LIVING COSTS

Cost of living as a whole in large cities rose over 2% from the middle of June, 1939, to middle of December, 1940.

When war spread in Europe in 1939 there was an immediate speculative rise in all prices, especially in foods. Retail food prices in 33 cities covered by Bureau of Labor Statistics surveys, shot up over 5% between mid-August and mid-September of that year. Later, food and general retail prices declined. However, by December 15, 1940, food costs were about 4% over August, 1939, before the outbreak of war.

Prices of department store articles, as measured by the Fairchild Retail Price index, rose about 5% between August, 1939, and end of 1940.

Outlook at start of 1941 was for a much more substantial rise

in living costs. Some experts forecast a rise of about 10% during the year. Rise in rents was causing particular concern to labor. Although the Bureau of Labor Statistics index showed very little rise in rents during the war period, its coverage of 33 to 35 cities did not include most of the small towns where war preparations were bringing a quick increase in population and skyrocketing of rents. Studies by government agencies at end of 1940 showed substantial rises had occurred in rents in armament centers due to shortage of housing. Rises were largest for homes renting for less than \$30 a month.

Along with rise in cost of living a marked decrease in consumption of certain articles was expected as war program advanced. Due to anticipated rise in prices of automobiles, refrigerators, washing machines and many household materials, it was expected that consumption in these lines would be greatly curtailed. This drop in standard of living would of course affect most seriously the income classes with least purchasing power.

WEEKLY EARNINGS

Weekly earnings of factory workers in all manufacturing industries averaged \$26.05 in 1940. This average covers earnings ranging from a high of \$34.59 weekly in transportation equipment down to a low of \$17.40 in textile manufacturing. Following table, based on reports of U. S. Bureau of Labor Statistics, shows the trend since 1932 in all manufacturing industries and in seven separate industrial groupings:

AVERAGE WEEKLY EARNINGS IN MANUFACTURING INDUSTRIES *

Year	All manu- facturing	Iron and steel	Machin- ery	Trans. equip.	Textiles	Food	Chemi- cals	Rubber
1932..	\$17.86	\$15.20	\$18.99	\$21.74	\$13.47	\$20.30	\$22.95	\$19.45
1933..	17.36	17.03	18.86	21.05	13.54	18.75	21.24	19.25
1934..	18.93	18.96	20.90	23.13	14.89	20.14	21.90	21.35
1935..	20.85	22.10	23.20	26.83	16.13	20.66	22.90	23.52
1936..	22.60	25.61	25.29	29.08	16.53	21.78	24.34	26.08
1937..	24.95	28.92	28.47	31.26	17.39	24.06	27.67	26.61
1938..	22.70	23.37	25.44	30.25	16.21	24.46	27.97	24.69
1939..	24.58	28.00	28.19	32.30	17.04	24.74	28.85	28.22
1940..	26.05	29.44	30.73	34.59	17.40	24.83	29.80	28.57

* Averages through 1939 are by U. S. Bureau of Labor Statistics. Weekly earnings for 1940 are computed by LRA from the Bureau's monthly figures.

Within each industrial grouping these averages naturally hide wide differences among different localities, between higher-paid and lower-paid workers, and between earnings of men and women.

WAGES OF WOMEN WORKERS

Between 1930 and 1940, the number of women workers in the United States increased by about 20% to a total of over 12,750,000, according to preliminary 1940 census returns. Women now constitute 24% of the working population, as against 22% in 1930.

Average weekly earnings for women in March, 1940, ranged from \$13.05 in silk and rayon mills up to \$23.77 in the strongly unionized coats and suits (women's) industry, according to a semi-annual report of U. S. Women's Bureau of payroll records in important woman-employing industries in 12 states (Calif., Conn., Ill., Ind., Mass., Mich., Miss., N. J., N. Y., N. C., Ohio, Pa.).

Average weekly earnings for women in these industries were from about 20% to about 48% below men's earnings. They were less than \$15 a week in about half the industries.

Minimum Wage Laws: State minimum wage laws for women exist in 26 states (Ariz., Ark., Calif., Colo., Conn., Ill., Kan., Ky., La., Maine, Mass., Minn., Nev., N. H., N. J., N. Y., N. Dak., Ohio, Okla., Ore., Pa., R. I., So. Dak., Utah, Wash., Wisc.) and District of Columbia. In effect, these laws now supplement the Fair Labor Standards Act by providing standards for service industries and some others not covered by the federal act. They are especially important for two reasons: 1. They provide in the great majority of cases higher wage rates than the 30-cent rate of the federal law. 2. They comprise a body of legislation for women which is likely to remain in effect even should such laws for men be found unconstitutional, since constitutionality of state minimum wage laws for women has been upheld by U. S. Supreme Court.

Wages Below Living Costs: U. S. Women's Bureau says that "a woman's wages usually are inadequate even for her own support and they are doubly or trebly inadequate when she has dependents." Cost of living studies made in various parts of the country indicate that a woman living alone needs from \$18 to \$23 a week to support herself in "health and decency." The amount is not much less if she lives with a family.

Recent studies show that a girl living alone in Connecticut, for example, needs at least \$18 to \$20 a week. In Colorado she needs \$18.77 if she eats in restaurants and \$17.31 if she cooks her own meals. In Utah her minimum cost of living is \$17.77; in Arizona \$19.85; in Pennsylvania \$21.05; in the District of Columbia \$21.51; in New Jersey \$22.07; and in New York it is as much as \$22.93.

WAGES OF NEGRO WORKERS

In industries covered by the Fair Labor Standards Act (see p. 96 ff.), Negro workers like other workers must be paid at least 30¢ an hour for the six years from October 24, 1939, to October 24, 1945. The wage-hour law does not on its face permit geographical differentials nor discrimination against any workers because of race, sex or nativity.

But this law applies only to industry engaged in making articles entering into interstate commerce. It does not cover large numbers of Negro laborers employed, for example, in local construction work. It specifically excludes industries in which the great majority of Negroes are employed: agriculture and domestic service. Only about one-quarter of all Negro workers are in industries covered by the Act.

In July, 1939, when the minimum hourly rate under the law was still 25¢, U. S. Bureau of Labor Statistics found that 45.3% of Negro laborers (adult male) in covered industries in the South and Southwest had entrance rates (i.e. for beginning work) of 25¢ an hour or less, as compared with only 23.9% of white (other than Mexican) laborers. The number paid under 40¢ an hour amounted to 76.2% for Negroes and 53.3% for whites.

Average hourly entrance rates for Negroes in southern and southwestern states were only 30.9¢, this study showed, as compared with 37.6¢ for whites. The Bureau itself explains, moreover, that this survey was not fully representative of the lower-paid workers since it covered mainly those in interstate commerce which are subject to the legal minimum. Nor does it include violations of the law which "obviously... would not be reported voluntarily." (*Monthly Labor Review*, Dec., 1939.)

CHILD LABOR

National Child Labor Committee estimated that there were in 1940 between 750,000 and 900,000 children under the age of 16 gainfully employed. Employed children 16 to 18 were nearly 1,500,000 in 1930. (1940 Census figures are not yet available.)

Fair Labor Standards Act and Public Contracts Act have not been effective in curtailing child labor, since they exclude from coverage some 500,000 to 600,000 children under 16 in agriculture, 250,000 to 400,000 under 16 in street trades and 60,000 to 80,000 under 16 in intrastate employment. They exclude also children of 16 to 18 in these three classifications from protection from employment in hazardous occupations.

Agriculture presents the most difficult problem in child labor, for children work long hours for meager wages, without adequate diet, rest or education. "Education is in competition with beans in this county, and beans are winning out," according to County Superintendent of Schools in Lake Okeechobee area of Florida. A study by National Child Labor Committee of strawberry pickers in Arkansas and Kentucky in 1939 showed that 36% of the migratory children of school age had not attended school a single day during the previous year and those who attended had averaged only 86 days' attendance. Bureau of Labor Statistics lists agricultural work as occupation group third highest in fatal injuries, yet no laws prohibit dangerous work for youth in agriculture as they do in some states for industrial employment.

Children in street trades usually work under contract designed so that they are classed as "independent contractors" and therefore do not come under jurisdiction of labor laws in many states.

A study made in New Jersey in 1939 showed children in intrastate employment working for \$1 and \$2 a week. Boys of 15 worked in bowling alleys from 5 P.M. to 2 A.M., although night work in New Jersey is prohibited for those under 16.

National Child Labor Committee reported that 23 states have wage minimums for a fairly comprehensive list of occupations, 21 states have some regulation of street trades, 21 states have regulations on working hours applying to both boys and girls, and ten states have some regulation of night work applying to both sexes.

Reminder of economic necessity leading to child labor was ex-

pressed in a report by Federal Council of the Churches of Christ in America: "To restrict the employment of children...is futile unless such measures are accompanied by action on a nation-wide basis to insure greater economic security for parents, better wages and generally improved living conditions."

Federal Amendment: Only 28 states had ratified the Federal Child Labor Amendment by end of 1940. Ratification by eight more states is necessary before this amendment can become part of U. S. Constitution.

Child Labor Amendment would not end child labor in itself but would give Congress power "to limit, regulate and prohibit the labor of persons under 18 years of age."

On February 3, 1941, the U. S. Supreme Court, in upholding the Fair Labor Standards Act, directly overruled the 1918 Supreme Court decision against federal regulation of child labor.

OCCUPATIONAL ACCIDENTS

Over 1,600,000 workers were injured (including 16,250 killed) in industrial accidents during 1939, the U. S. Bureau of Labor Statistics estimates. The 1939 total was 16% higher than the 1938 total of 1,375,000 injuries.

ESTIMATED NUMBER OF DISABLING INJURIES (1939) BY INDUSTRY

<i>Industry</i>	<i>All disabilities</i>	<i>Death and permanent total disability *</i>
All industries	1,603,500	16,400 *
Construction	404,700	3,600
Manufacturing	286,200	1,600
Agriculture	257,300	4,300
Services & miscellaneous industries	253,600	1,400
Trade—wholesale and retail	200,800	1,800
Mining and quarrying ...	91,000	1,600
Miscellaneous transportation	54,400	800
Railroads	34,500	800
Public utilities	21,000	500

* "Permanent total disabilities are about 0.75 to 0.90 per cent of the figures for fatalities as given in the July issue of the *Monthly Labor Review*. ... This brings the estimated fatalities to approximately 16,250. The percentage of permanent total disabilities is so small that for all practical purposes it can be disregarded." (Letter from U. S. Bureau of Labor Statistics to Labor Research Association, 9/17/40.)

Increase in number of accidents was due in part to increase in employment, but there were also increases in accident rates. In its study of identical establishments in 1939 compared with 1938, Bureau of Labor Statistics reported an employment increase of 7%, an employee-hour increase of 13%, and an increase of injuries of 14%.

Frequency and severity rates by industry in 1938 and 1939 are shown in following table:

OCCUPATIONAL ACCIDENTS, 1938 AND 1939 ^a

	No. of injuries per 1,000 full- time workers ^b		Average no. of days lost per worker ^c		Average no. of days lost per injured worker ^c	
	1939	1938	1939	1938	1939	1938
All manufacturing ...	31	30	3.3	3.2	106	107
Chemical	20	20	3.7	3.6	182	176
Food	38	38	2.8	3.6	73	95
Iron & steel	35	34	4.3	4.1	121	122
Leather	18	17	1.2	1.0	65	56
Lumber	93	92	12.0	11.0	129	119
Machinery	22	22	2.2	2.6	101	120
Paper	41	40	3.9	3.9	95	98
Printing	14	13	1.4	1.1	104	83
Rubber	20	20	1.6	1.4	81	69
Stone, clay, glass ..	42	38	4.5	3.9	106	104
Textile	18	17	1.2	1.2	64	71
Trans. equip.	26	28	3.1	3.0	118	109
Miscellaneous	21	20	2.7	2.5	131	123
Construction	124	117	13.6	13.6	110	116
Public utilities	16	17	2.2	2.7	135	158
Wholesale trade	23	19	.9	1.3	38	69
Retail trade	19	17	.8	.4	44	25
Service	19	16	2.2	.8	113	51

^a Computed by Labor Research Association, from data in *Monthly Labor Review*, July, 1940. ^b 2,000 man-hours of exposure per full-time worker. ^c Standard time-loss ratings for deaths and permanent disability.

Mining Accidents Preventable: Many of the deaths that occur in coal mines of the United States could be prevented, according to the U. S. Bureau of Mines. Most mine explosions could be prevented by proper inspection and enforcement of standard safe-

guards. In the one year, 1940, there were six major explosions in coal mines, as follows:

Jan. 10—at Bartley, West Va., mine of Pond Creek Pocahontas Co. (Island Creek Coal Co.) 91 killed, leaving 70 widows and 143 orphans.

March 16—at Neffs, Ohio, Willow Grove mine of M. A. Hanna Co. 72 killed, leaving 59 widows and 117 orphans.

July 15—at Sonman mine, Cambria County, Pa., of Sonman Shaft Coal Co. (Koppers Coal Co.) 63 killed, leaving 34 widows and 108 orphans.

Aug. 27—at #2 mine, Bates Coal Corp., Bates, Scott County, Ark., 10 killed.

Nov. 29—at Nelms mine, Ohio & Pennsylvania Coal Co., Cadiz, Ohio, 31 killed.

Dec. 17—at #4 mine, Raleigh Coal & Coke Corp., Beckley, West Va., 7 killed, 5 injured.

The Neeley-Keller bill to provide for federal inspection of mines was passed by the Senate, January 10, 1940, but defeated by deadlock in a House of Representatives committee in August. This measure would leave regulation of coal mines in state hands but would give federal agents authority to explore mines periodically and publish findings. The bill has been bitterly attacked by coal operators, banks and insurance companies, on the ground that it would "interfere with states' rights."

OCCUPATIONAL DISEASES

Development of new industries, new chemicals and new processes brings in its wake a daily train of new industrial poisons, new uses for old ones and increased occupational risk to the workers. This fact is recognized in a report made March, 1940, by New York State Department of Labor.

An example of such a new hazard was found in a plant which produced "fused collars" for men's shirts, not needing starch when washed. Workers were suffering from a chemical poison, methyl cellulose. Medical examination revealed destruction of workers' blood cells and serious injury to the nervous system.

Mercury Poisoning: This is still a hazard in hatmaking and other industries. In New York State in 1938, 175 fur felt hatmakers were found to be suffering from this poison, which causes violent shaking. Victims are often unable to walk to work while still able to perform the daily job routine. In one plant it was found that the exhaust

carried mercury fumes into the one spot where many workers ate their lunch. Proper ventilation could have drawn off the fumes and prevented this hazard.

Dust Diseases: These are among the most common industrial hazards. Injury to workers' health may result from exposure to grain dust, wood dust, asbestos, brick, feldspar, fur, wool, pumice, rockwool, slate, clay, whiting, hematite, salt, garnet, emery and other materials. Dusts causing injury contain mercury, aniline and wood dyes, moth repellents, scouring powder, grain, fertilizers and plastics. In certain dusty trades the breathing of that dust may cause poisoning, allergic diseases or other injury to general health either with or without specific damage to the lungs.

Silicosis: Incurable but preventable, this disease of the lungs is a menace to foundry workers, rock drillers, sandblasters and others who daily breathe minute particles of sand or metal. It is not new, but new methods of dust control are now known. In former days the disease was called "stone-cutters rot" or "grinders consumption." It develops slowly—faster in some people than in others—its progress depending on how much free silica there is in the dust and how long it is breathed. It may develop in a year; it may take 30 years to advance even into early stages. But ultimately it results in tuberculosis and death. Since it predisposes its victims to tuberculosis it is a public health hazard.

In a significant report (1939) on *Living, Working and Health Conditions in the Tri-State Mining Area* (Miss., Okla. and Kan.), the Tri-State Survey Committee shows connection between increase of silicosis, with resulting tuberculosis, and the miners' living and working conditions in that area. It reveals that lead-zinc miners' mortality rate from tuberculosis is 18 times greater than that of men of comparable age in the population at large. Of 27,553 men examined in a Picher (Oklahoma) clinic from 1927 to 1932, 6,428 or 23% had either silicosis or tuberculosis or both.

Instead of providing proper methods of dust control and ventilation, the Eagle-Picher Lead Co. and other mining corporations in this area require miners to do their own wetting-down of muck on their own time. Since wages are paid only on a piece-work basis, health precautions are naturally neglected.

Data presented in this report on silicosis in the tri-state area showed laxity in dust control; defects in the installation or upkeep of mechanical ventilating equipment, which reduced or canceled its efficiency; and lack of proper sanitation in the mines.

In bituminous mining recent mechanization has greatly increased dust hazards, often resulting in silicosis, according to Dr. R. R. Sayers, director of U. S. Bureau of Mines. In anthracite mining 6% of the miners examined had "clinical pulmonary tuberculosis," while the average prevalence of the disease in the United States is only 2%.

PUBLIC HEALTH

"45 million of us live below the safety line because we do not get the food we need. . . . Below the safety line means this: Bodies that tire too easily. Bodies with minds that are slow to think. Bodies too weak to fight disease." (*Consumers Guide*, Sept. 1940. Special issue, prepared by Consumer Commissioner, National Defense Advisory Commission.)

Starvation in the United States: An authoritative statement on the nation's widespread nutritional deficiency diseases appeared in *Journal of the American Medical Association* (Sept. 7, 1940), by W. H. Sebrell, M.D., of U. S. Public Health Service. He showed that starvation is a real cause of death for many people in the United States today and that nutritional diseases are taking an enormous toll in illness and disability.

About 4,000 people die every year in this country as a result of pellagra, rickets, scurvy, beriberi, tetany or osteomalacia, medical reports admit. These are all diseases of undernourishment. But this is an understatement, Dr. Sebrell shows, since it records only deaths reported as from these six causes. Nutritional deficiencies also are an important factor in causing deaths of persons who are reported as dying from other causes. Tuberculosis, for example, largely a disease of poverty and malnutrition, accounts for more than 65,000 deaths a year. Dr. Sebrell concludes that "in all probability the nutritional diseases constitute our greatest medical and public health problem," and their prevention is primarily an economic problem.

Many of Chicago's relief clients were really starving in the winter of 1939-40, according to a careful survey by 24 public and private social agencies. Nearly two-thirds (61%) of the families studied "spent less than half as much money for food as is needed for an adequate diet at minimum cost" simply because the meager food allowance was needed for rent, fuel or other items. ("What is Starvation?" *Survey Midmonthly*, Jan. 1940.)

Texas Social Welfare Association reported in 1940 that 12,000

families had from 3¢ to 4¢ per member per meal; 101 persons died from starvation in Texas in 1938.

Health of Youth: Nearly one-third (32.5%) of volunteers, 18 to 35 years old, applying for enlistment in the U. S. Army in southern district of New York during June, July and August, 1940, were rejected because of bad health, the *Journal of the American Medical Association* (Oct. 12, 1940) reported.

These young men, many of them from New York City, were found below the minimum standards of health, either because they had poor teeth or poor eyesight or were not up to the requirements for height and weight. Many of those underweight showed signs of undernourishment and were potential candidates for tuberculosis. Among young men conscripted for service under the draft law of 1940, the proportion of those found physically unfit for service ranged from 15% to 43%.

Illness Increases: On the basis of reports made by 26 industrial sick benefit organizations, covering 170,000 male industrial workers, U. S. Public Health Service reported that the frequency of sickness causing disability lasting more than one week was 78.6 per 1,000 men in 1939, as compared with 71.2 in 1938, an increase of 10.4%.

Respiratory diseases rose 28% in 1939 as compared with 1938, according to this report. There were 34.1 cases of respiratory diseases per 1,000 male industrial workers in 1939 and 26.6 in 1938. Pneumonia cases increased 30% in 1939. There were 2.3 cases per 1,000 in 1938 and 3.0 cases in 1939, the highest rate of the 10-year period, 1930-39. Influenza and grippe rose from 9.9 cases per 1,000 men in 1938 to 16.9 in 1939.

Group Health Plans: More than 5,600,000 persons in the United States are now included in group hospitalization plans which have developed in many centers. Eight such group plans have been recently certified by the Group Health Federation of America. These eight are: Civic Medical Center, Chicago; Farmers Union Co-operative Hospital Association, Elk City, Oklahoma; Greenbelt Health Association, Greenbelt, Md.; Group Health Association, Washington, D. C.; Ross-Loos Medical Group, Los Angeles, Calif.; Trinity Hospital, Little Rock, Ark.; and the Wage-Earners Health Association, St. Louis, Mo., and Milwaukee Medical Center, Milwaukee, Wisc.

Some 80,000 farm families in 634 counties are participating in

group health plans promoted by the Farm Security Administration in co-operation with county and state medical societies.

The main defect of these plans from the worker's point of view is that the cost is generally beyond his means. Thus in the case of the Ross-Loos medical group plan in Los Angeles, charges to subscribers amount to \$30 a year. A survey of the charges of this and other group health plans indicates that to obtain complete medical and hospitalization coverage, a family of four would be required to pay between \$75 and \$100 a year. This is far greater than the medical budget of most working class families will permit.

Trade Union Health Plans:¹ Because of the excessively high cost of most group health plans many labor unions have been stimulated to develop some type of medical or health service for their members.

One of the best union medical plans is that of Transport Workers Union of America (CIO). This plan furnishes general medical and specialist care (including periodic health examination) at home or doctor's office, without direct charge, for all members of the union. Extension of this group medical plan to mothers, wives and daughters of New York transit workers was announced in January, 1941, by TWU ladies auxiliary.

International Ladies Garment Workers Union (AFL) has for many years had a union health center in New York where low-rate medical services are provided for union members and their families. However, no home care is provided. Free service is given to those members who are unable to pay for private care.

Another type of plan, started in 1940, is that of Local 802 of American Federation of Musicians (AFL) under which unemployed members of the union and their families (up to 2,000 persons) are provided with medical and hospitalization service without charge. United Office and Professional Workers of America (CIO) in 1940 adopted a hospitalization plan for union members and their families. Coverage is furnished by means of a group insurance contract underwritten by a large insurance company. Membership in the plan is voluntary and moderate charges are imposed. The union's New York City Joint Council has in addition developed a low-rate medical and dental care plan for members of its affiliates. The New York Teachers Union, Local 5, American Federation of Teachers, has a cash sick benefit plan. Coverage is through a group insurance contract financed in a manner similar to that of the UOPWA contract.

There is another group of unions whose approach to the health problem is somewhat different. These unions attempt to make fuller use of existing facilities. Thus in the field of workmen's compensation the activities of

¹ This section is based in part on data gathered by Waterfront Research Committee of New York City.

these unions in providing proper legal aid, setting up medical panels, and agitating for extension of coverage to occupational diseases, has resulted in substantial increases in benefits to union members. These unions also have special services for aiding members to take advantage of free or low-cost services available through local hospitals, clinics and charitable agencies. Utilization of the traditional sick and death benefit funds is a valuable supplement in this connection. Among the unions using this approach are the International Fur & Leather Workers Union, United Automobile Workers, American Communications Association and the National Maritime Union (all CIO).

Trade union activity in the health field exhibits an amazing variety, testifying to the broad scope of health needs and the fresh unbiased approach of workers' organizations. These activities attempt to cover the most urgent health needs of their members without, of course, attaining the ideal of complete health service for workers and their families. Only a comprehensive national social insurance plan could adequately provide such a service. (For health legislation, see p. 111 ff.)

EXTENT OF UNEMPLOYMENT

Over ten million persons were still unemployed in the United States in 1940, according to CIO estimates. Number of jobless declined somewhat during the latter part of that year, from 10,097,000 in July, 1940, to 9,003,000 in December, but rose again in January, 1941. The numbers estimated as unemployed in years since 1929 are given below.

<i>Year</i>	<i>Unemployed*</i>	<i>Year</i>	<i>Unemployed*</i>
1929.....	1,831,000	1935.....	10,051,000
1930.....	4,710,000	1936.....	8,756,000
1931.....	8,322,000	1937.....	8,109,000
1932.....	12,120,000	1938.....	11,031,000
1933.....	12,643,000	1939.....	10,729,000
1934.....	10,845,000	1940.....	10,290,000

* Monthly averages based on CIO estimates of unemployment.

Explaining its method of estimating unemployment, CIO said that, broadly speaking, "the estimates of unemployment are prepared by subtracting the estimated number of employed from an estimate of the total employable population in the country.... The importance of figures on unemployment is not statistical accuracy but rather a

rough measure of how successfully our economy is adjusting itself to national needs." (*Economic Outlook*, Feb., 1940.)

For seven years, including the period of worst depression and the years following, Labor Research Association made its own annual estimate on extent of unemployment in the United States. These estimates were very close to those made during this period by *Business Week* and the Alexander Hamilton Institute (see *Labor Fact Books II, III and IV*). When CIO began its own estimates, on a monthly basis, taking account of factors usually ignored by other agencies, LRA discontinued its independent survey of unemployment. For the crisis years the LRA figures, due to different methods used, were considerably higher than those of CIO.

Number unemployed in 1939 and 1940 would have been far larger if hours of work had not been shortened. Partly because of Fair Labor Standards Act provisions and partly because of trade union efforts to improve working standards, the working week was considerably shortened during the past two years.

False Employment: While the war preparations program is absorbing some of the unemployed into the wholly wasteful business of creating tools of destruction, this "recovery" is admittedly temporary. New Deal economists while talking about solving unemployment are already warning of deep depression to follow the war. And Roosevelt himself, in his pre-war days, speaking before the Inter-American Peace Conference, Buenos Aires, December 1, 1936, described the temporary character of employment in war industries:

Vast armaments are rising...the work of creating them employs men and women by the millions....Such employment is false employment...it builds no permanent structures and creates no consumers' goods for the maintenance of a lasting prosperity. We know that nations guilty of these follies inevitably face the day either when their weapons of destruction must be used against their neighbors or when an unsound economy like a house of cards will fall apart. (*N. Y. Times*, Dec. 2, 1936.)

LABOR PRODUCTIVITY

Further development of machines, other technological changes, and greater speed-up have brought a steady increase in output per man-hour of work during past decade. Detailed studies by WPA's National Research Project, Brookings Institution, and U. S. Bureau

of Labor Statistics show the uninterrupted rise in productivity of labor.

In manufacturing industries as a whole, output per man-hour rose by over 35% in the 12 years, 1929-1940. In certain non-manufacturing industries the increase was much greater. Productivity in mining industries increased over 56% in ten years, in railroads over 41% in 11 years, in electric light and power 78% in 11 years, as shown in figures below. Here are index numbers showing the trends:

PRODUCTIVITY TRENDS, 1929-1939 *

Year	Manufacturing	Mining	Railroads	Telephone	Electric light and power
1929.....	100.0	100.0	100.0	100.0	100.0
1930.....	100.5	99.8	99.9	100.4	95.9
1931.....	103.5	114.0	101.0	109.3	98.7
1932.....	107.2	124.6	98.1	107.9	106.7
1933.....	112.0	125.6	110.0	110.3	121.4
1934.....	111.5	125.5	111.2	113.8	134.2
1935.....	119.3	133.0	116.4	120.7	143.0
1936.....	119.1	137.0	124.3	127.1	151.6
1937.....	112.9	144.3	126.3	125.1	158.2
1938.....	113.2	156.3	133.2	131.6	156.9
1939.....	131.3	....	141.3	137.1	177.9
1940.....	135.2 ^b				

* Based on WPA National Research Project on Re-employment Opportunities and Spurgeon Bell's *Production, Wages and National Income*.

^b Preliminary.

In certain manufacturing industries, rise in productivity since 1929 was far greater than the average for manufacturing as a whole. By 1939, output per man-hour in tobacco manufacturing was 117% above the 1929 level; in petroleum refining it was 87% higher; in rubber tires and tubes 69% higher. Here are index figures for certain manufacturing industries in recent years:

PRODUCTIVITY IN SELECTED MANUFACTURING INDUSTRIES

(1929 = 100)

Year	Iron and steel	Auto- mobiles	Boot and shoe	Petro- leum refining	Meat packing	Ce- ment	Rubber tires and tubes	To- bacco
1937..	118.3	109.1	131.0	167.7	106.2	116.9	143.0	191.5
1938..	113.6	105.2	137.8	173.2	114.4	122.6	153.1	204.7
1939..	134.6	107.9	143.0	187.1	117.5	133.9	168.8	217.1

Long trend of increased productivity in manufacturing and other industries was subject of a recent study made by U. S. Bureau of Labor Statistics, *Wages, Hours and Productivity of Industrial Labor, 1909 to 1939*. This study shows that real average hourly earnings rose less than productivity. The trend in manufacturing industry is shown below.

	<i>Productivity</i> (output per man-hour)	<i>Real average</i> <i>hourly earnings</i>
1909.....	100.0	100.0
1919.....	115.4	124.3
1929.....	199.2	149.9
1939.....	263.6	210.5

While output per man-hour increased by 164% in 30 years, real average hourly earnings rose only 111%. Workers did not receive the additional earnings which were due them as a result of increased productivity. Their ability to produce goods has far exceeded their ability to buy them back.

EFFECTS OF PRODUCTIVITY INCREASES

Increase in productivity due to technological changes in the past 15 years has rendered thousands of workers jobless. Testimony as to its effects in particular industries was brought out by union representatives in hearings before Temporary National Economic Committee in 1940. Below is a summary of some of the facts presented.

Steel: Philip Murray, chairman of Steel Workers Organizing Committee, described technological changes in the steel industry. He pointed out that widespread introduction of strip mills would eventually displace about 85,000 steel workers, of whom over 38,000 had already lost their jobs. He cited the continuous automatic steel strip sheet as an example: its use enables 126 men to do work previously performed by 4,512. While in 1936 only 23% of the tinplate was produced by strip mills, he stated, in the first nine months of 1939 the proportion had risen to 76%. He said he did not know of a single instance where the new sheet steel had resulted in creation of new industries or jobs.

Coal: Thomas Kennedy, secretary-treasurer of United Mine Workers of America, declared that 78,000 coal miners had lost their jobs in the past 15 years as a result of technological developments. And while the number of men was reduced in this way, technological improvements in other industries and new transport methods were cutting down on the amount of coal used, which meant still further loss of miners' jobs.

Assistant WPA Commissioner Corrington C. Gill said that some of the most sweeping changes which had displaced miners had been made with little or no capital investment in new machinery. This is further proof that technological changes in an industry, resulting in loss of jobs, do not create other jobs in the construction of the new machinery required.

Automobile: R. J. Thomas, president of United Automobile Workers, testified that by 1937, 92% of 1929 production was being obtained with only 82.1% of the man-hours required in 1929. If the average auto worker had worked 46.8 hours per week in 1937, Thomas said, only 366,000 men would have been employed to produce 92% of 1929 production. However, as a result of shorter hours forced by union action, 479,341 were actually employed in 1937. This meant that at least 112,000 jobs were saved because of the union's ability to win shorter hours for the workers.

Rubber: Thomas F. Burns of United Rubber Workers of America showed that in 1923 it took 74,000 workers to produce 45.2 million tires. But in 1939, 52,000 workers produced 57 million tires—an increase of 26% in production with a 30% decline in employment.

Textile: Pres. Emil Rieve of Textile Workers Union of America, stated that only by sharply reducing working hours in that industry had it been possible to maintain employment at a level slightly below 1923. In the wool textile industry productivity rose 77% from 1919 to 1939; in knit goods it rose 86% from 1919 to 1935, and 145% in silk and rayon. Most spectacular rise took place in synthetic yarn—333% from 1923 to 1939. In cotton, production rose 18% from 1919 to 1939 while man-hours of work declined 28%.

Telephone: A representative of International Brotherhood of Electrical Workers declared that 150,000 jobs at an average of \$20 a week had been lost during the last 15 years due to introduction of the dial system. This wholesale displacement of labor, however, did not reduce human effort. It was merely transferred from the telephone operator to the user, who now, without charge to the telephone company, performs part of the job formerly done by an operator.

Conclusions: Testimony of various labor leaders before TNEC revealed that the unions did not oppose increased efficiency as such. But they do bend all their efforts to protect the workers suffering from technological changes. Under the present set-up, it was shown, increased productivity leads to an absolute reduction in the number employed and therefore in income received by the workers. Thus, technological improvements take place with little regard to their social effect on the workers.

Only the efforts of organized labor to reduce hours and increase wages have prevented the effects of increased productivity from being more severe than they actually are. Situation is further aggravated by the fact that new workers entering the labor market find little opportunity for employment in two important fields—agriculture and clerical. Furthermore, it is no longer possible, as it was in the past, for some displaced workers to find employment in other fields. For new technological developments have not produced opportunities for new employment; products of in-

creased efficiency have not been passed on to any large extent either to workers or consumers.

UNEMPLOYMENT RELIEF

Of nine million unemployed in the United States only about 1,800,000 were receiving work relief under the Work Projects Administration in early months of 1941. Yet in March the list of those awaiting WPA assignment added up to some 1,000,000 persons, certified as "eligibles" but unemployed because WPA lacked funds to employ them.

Cuts in Relief: Numbers on WPA were cut down from an average of 2,761,000 in 1938 to an average of 2,400,000 in 1939 and only 2,007,000 in the first nine months of 1940. In November, 1938, 3,330,000 were employed on WPA but in October, 1940, only 1,746,000. Thus in two years over 1,500,000 men and women were fired from federal work projects. Counting their dependents, over six million persons were thus cut off from federal relief.

Sharp reductions in WPA employment followed passage (July, 1939) of Woodrum amendment to the Emergency Relief Appropriation Act for the year ending June 30, 1940. This amendment required automatic dismissal of all who had been on WPA for 18 months; denial of WPA employment to aliens; refusal of relief funds to any person "who is a member of an organization that advocated overthrow of the U. S. government by force or violence."

This 1939-1940 relief act further provided for reduction of WPA wages in northern and western areas; abolition of the Federal Theater project which had been notably successful in dramatizing human needs; and abolition of other white collar projects unless locally sponsored.

For the fiscal year ending June 30, 1941, the Emergency Relief Appropriation Act passed in June, 1940, appropriated \$1,157,711,000 as compared with \$1,755,600,000 in the previous fiscal year and \$2,539,805,000 for the year ending June 30, 1939. Thus in two years, federal relief funds were cut down by 54%, although there was little decline in extent of unemployment. A deficiency appropriation was necessary to cover even reduced relief expenditures in fiscal year, 1940-41.

In line with his announced policy of "cutting to the bone" all non-military expenditures, President Roosevelt in his budget message to

Congress, January 8, 1941, recommended an appropriation of only \$995 million for work relief for the full fiscal year, 1941-42. This is \$400 million less than the amount actually required for the previous fiscal year, or a decline of about 29%.

The 1940 relief act specifically denied employment on WPA projects not only to aliens, already excluded under previous act, but also to all members of the Communist Party. A "witch-hunt" during the second half of 1940 resulted in dismissal of several hundred project workers most of whom were summarily fired without benefit of a hearing. In New York state, for example, in October, 1940, WPA workers who had simply signed a petition to put the Communist Party on the ballot, without in any way indicating sympathy with Communism, were arbitrarily dismissed from their project jobs.

War Preparations and Relief: "WPA rolls will not be affected greatly by the defense spending program for many months to come," according to Washington relief officials. "At present, defense orders are in industries requiring highly skilled labor." (*Survey Monthly*, Sept., 1940). U. S. Bureau of Agricultural Economics estimated in October, 1940, that only about 2½ million of the unemployed would be absorbed within the following year.

At least for the coming year, the major effect of the defense program on WPA will be a shift away from projects for general public improvements to projects related in some way to the business of "defense." By November, 1940, national defense projects accounted for about one-fifth of the entire WPA program. The 1941 relief appropriation act authorizes WPA expenditures for projects certified by war and navy departments as "important for military or naval purposes," to take precedence over all other projects.

National defense projects using WPA funds in 1940-41 included construction and improvement of air fields; improvement of roads of strategic military importance; construction of armories, docks and army posts; widening and strengthening of bridges for transportation of troops and equipment. Federal Works Agency has declared that it has trained staff immediately available to handle virtually any type of construction work needed for national defense, that civilians can do.

Relief Inadequate: WPA wages in the country as a whole have averaged \$52 a month or about \$12.10 a week. This is less than a third of

what even the minimum so-called "health and decency" budget says a family should have for absolutely necessary expenses. (See p. 63 ff.). In many parts of the country WPA workers have received much less than the national average.

General relief as reported by state agencies provides much less than work relief. In September, 1940, amounts paid in general relief averaged only \$23.68, or about \$5.50 a week. But as Milo Perkins, president of Federal Surplus Commodities Corp., said, "You can get mighty hungry trying to eat on averages if you're out of a job." (*The Challenge of Under-Consumption*, Feb. 24, 1940.) Behind this national average there are wide variations, ranging (Sept., 1940) from \$3.14 a month in Mississippi up to \$35.11 in New York. Even the "high" New York rate averages only \$8.17 a week.

Relief for the unemployed is dangerously inadequate, according to the American Association of Social Workers in their 1940 report, based on data from 38 chapters in 27 states and territories. In Arkansas state agencies estimated minimum needs for a relief family and then cut the amount in half. California's unemployed have been getting only 44% of minimum subsistence needs. Early in 1940 California authorities by legislative action cut down relief payments by 30% to 50%. In Cleveland, Ohio, where all relief was suspended for a month (November 15 to December 15, 1939), hundreds went without food for days and others picked over garbage in markets. Serious illness, mental breakdowns and threatened suicides were the result. When relief was restored it was on the reduced rate of 18¢ per person per day for food in a family of six. In Douglas County, Nebraska, entire families exist on only 22¢ a day for all needs.

Report attributed general breakdown to refusal of federal government to accept responsibility for general relief, curtailment of WPA, tendency of states to pass on relief problems to communities, lack of funds in many counties and cities and "economy drives directed at the needy, handicapped and unemployed." It recommended that "public works, relief and social security be organized on a sound basis with the financial burden equitably distributed," with administrative responsibility shared by all levels of government, and with no groups of needy persons excluded or discriminated against.

Negroes on Relief: Benefits for Negro families on relief have been considerably lower than for white families. A recent WPA study, *Average General Relief Benefits, 1933-1938*, shows that general relief for Negro families in cities average \$24.18 in May, 1935, compared with \$29.05 for white families. In certain cities the differential was much greater:

AVERAGE MONTHLY GENERAL RELIEF BENEFIT (MAY, 1935)

<i>City</i>	<i>Negro</i>	<i>White</i>
Atlanta, Ga.	\$19.29	\$32.66
Baltimore, Md.	36.02	37.97
Chicago, Ill.	19.43	21.15
Detroit, Mich.	35.13	40.90
Houston, Tex.	12.67	16.86
Omaha, Neb.	24.10	28.93
St. Louis, Mo.	24.50	29.97
Average *	24.18	29.05

* Average for 13 cities. For six cities Negro benefits were not shown separately.

Similar discrimination against Negroes on relief was shown in rural areas. In the Cotton Belt, eastern area, Negro families averaged \$8.31 in June, 1935, while white families averaged \$13.81. In the western cotton area, Negro families averaged \$8.27, compared with \$10.95 for white families.

At the end of 1940 it was estimated by the New York Urban League that at least 40% of New York's Negro population were dependent on relief. The Negroes' situation was described as "tragic."

Work Relief Bill: Rep. Vito Marcantonio (American Labor Party, New York) introduced in 76th Congress the American Standards Work and Assistance bill which would provide for a minimum of 3,000,000 WPA jobs; prevailing wage rates; elimination of the ruling that workers are automatically fired after 18 months; abolition of the means test; and more adequate relief allowances for those not on WPA. The measure has the support of all unions of WPA workers and of the Workers Alliance.

WORKERS ALLIANCE OF AMERICA

Through the past two years the Workers Alliance of America has continued its vigorous struggle in defense of the unemployed against WPA cuts and for more adequate relief.

To meet attacks in Congress on WPA appropriations the Workers Alliance set January 28, 1939, as a National Day for Jobs and Recovery, when some 500,000 workers demonstrated against proposed cuts and picketed WPA headquarters and relief stations. In March, 1939, it arranged an all-southern WPA conference in Washington, at which 100 southern WPA workers reported on unemployment problems in the South. In June, 1939, in Washington, D. C., it held

the national "right to work" congress, to map a program for jobs for the unemployed.

In a six months' "consolidation program" beginning in March, 1939, the Alliance strengthened its membership to include more than 500,000 workers, organized in 1,800 locals in all states, Alaska, Puerto Rico and Hawaii. Its work and security program for 3,000,000 jobs, increase in WPA wages, and a systematic public works plan was embodied in the Murray-Casey bill introduced in Congress early in 1939, with the support of the CIO. A later version of this measure was the American Standards Work and Assistance bill.

When Congress passed the Woodrum amendments cutting down WPA, July, 1939, the Alliance called one- to three-day strikes involving some 100,000 workers on projects throughout the country. In Minneapolis, Minn., the WPA strike became a bitter struggle, in which police attacked picket lines, killed a striker and sent 25 to the hospital suffering from gas or gunshot wounds. On July 14, 1939, in reference to this strike, President Roosevelt uttered his famous statement: "You can't strike against the government." The death of a policeman from chronic heart disease was made the occasion of a "conspiracy" trial, involving 162 pickets who were tried in batches of as many as 25 at a time, for "conspiracy to intimidate" persons seeking work relief. After months in the courts, all cases were suddenly dismissed when Roosevelt personally pardoned the strikers.

Despite cuts in WPA funds engineered by reactionaries in Congress, the Alliance was instrumental in raising wage rates on southern projects; a \$35 monthly minimum was established in the South. Following passage of the Woodrum amendments, the Alliance led the fight for supplementary relief and certification for re-employment on WPA. It held emergency conferences on relief and social security in every section of the country; delegates mapped plans to improve WPA and relief legislation during 1940 session of Congress.

In June, 1940, David Lasser resigned as national president of the Workers Alliance, made a red-baiting attack on this organization of the unemployed, and in August formed a separate group, the American Security Union. President Roosevelt on August 18, 1940, hailed this new move and promised it Administration's protection.

Workers Alliance held its Fifth National Convention in Chicago, August 28 to 31, 1940. More than 200 delegates elected officers,

new members of the national executive board, and adopted a five-point program, as follows:

1. Securing of public works jobs for all who cannot find employment in private industry through a flexible works program which could be contracted or expanded as the occasion arose.
2. Adequate social security legislation through cash payments on a scale to maintain health and decency, free clinics and health insurance and medical expenses for all who are unable to work.
3. Minimum pensions of \$60 per month for old-age pensioners and \$90 per month for elderly married couples.
4. Five billion dollar public housing program to wipe out slums from America.
5. Extension of the present unemployment compensation program to a minimum period of 26 weeks with payments of \$10 to \$20 a week.

National president of the Workers Alliance is Richard N. McKibben of California. General secretary-treasurer is Frank Ingram. Official newspaper is *Work*, published monthly.

AMERICAN YOUTH CONGRESS

About 5,500,000 youth were represented by 475 delegates at the Sixth American Youth Congress held at Lake Geneva, Wis., in July, 1940. These delegates came from labor, farm, student, religious organizations, youth councils and miscellaneous groups.

Attempted Split: Growing influence of AYC program led to outside attempts at splitting during this convention. Gene Tunney, ex-boxing champion, although not a delegate, tried to put his insignificant minority group in power and to pull large organizations out of AYC. Failing in this, he worked with Murray Plavner to form the National Federation for American Youth. Official report concluded that, "While all this political and publicity horseplay was filling the news-columns, the delegates were soberly discussing the serious problems of America that had brought them from the country's far corners."

Broadens Activities: Work of AYC was extended in legislative and political field after speech by John L. Lewis at Citizenship Institute held by AYC in Washington, D. C., in February, 1940.

Lewis invited the Youth Congress to affiliate and co-operate with Labor's Non-Partisan League. The Institute approved this offer and provided for immediate negotiations to make it effective. This move has resulted in an active campaign by AYC to defend the NLRA, to prohibit government

contracts to labor law violators, for passage of the mine safety bill, to strengthen the public contracts and fair labor standards acts and to preserve labor's rights to organize, bargain collectively and to strike.

National Defense: Sixth AYC Congress by a vote of 384-19 adopted a resolution on defense embodying two fundamental principles:

...a foreign policy directed toward keeping America out of war in Europe and away from any intervention of American dollar diplomacy in Latin America or the Far East. Peace is still the best defense of our country and the liberties of our people.

Equally fundamental to any real defense is a domestic policy based on the maintenance and extension of our civil liberties and the continued improvement of the living standards of the people.

To implement this resolution the Congress in 1940 held Armistice Day meetings for peace; co-operated with American Peace Mobilization; and campaigned for repeal of conscription while at the same time urging vigilant protection of the health and welfare of trainees and their dependents.

American Youth Act: Chief legislative proposal of AYC is the American Youth Act. Introduced in its latest form, January, 1941, by Sen. Murray and Rep. Marcantonio, the bill would provide for vocational training and employment opportunities for youths between the ages of 16 and 25; and for increased educational opportunities for high school, college and post-graduate students.

Other Measures Supported: While pressing for passage of American Youth Act, the Youth Congress in 1941 opposed the "lend-lease" war powers bill; urged passage of the federal aid to education bill; supported increased appropriations for WPA and the federal housing program; and passage of the anti-poll tax and anti-lynching bills.

To aid rural youth the Congress adopted a program which included: extension of NLRA to include all agricultural workers; altering benefits under Agricultural Adjustment Administration to help especially small farmers and sharecroppers; a full soil conservation program; producer and marketing co-operatives; federal long-term loans to young farmers; racial equality and extension of educational opportunities; a rural health and housing program.

Town Meeting of Youth: On February 7-9, 1941, American Youth Congress held a Town Meeting of Youth in Washington, D. C. Almost 6,000 delegates from trade union, church, civic and fraternal groups all over the U. S. attended meetings, saw Congressmen, and demonstrated against the "lend-lease" bill. Delegates overwhelmingly condemned imperialist war and U. S. involvement in the European war. As Frances Williams, administrative secretary of the AYC, said, they opposed pro-

posals for a "‘negotiated peace,’ which would impose a U. S.-refereed Munich in Europe and perhaps also in the Far East."

Organization: Constitution of AYC says that "Any national organization, independent regional organization, or any local, state or regional youth council or assembly whose youth membership desires to co-operate in any one or more activities or projects of the Congress and to utilize its services may be a co-operating organization in the American Youth Congress." National officers in 1940 are Jack McMichael, chairman; Harriet I. Pickens, treasurer; Joseph Cadden, executive secretary; and Frances Williams, administrative secretary.

Student Conventions: One of the most active affiliates of AYC is American Student Union. At December, 1940, convention in New York City, attended by 355 delegates from 79 colleges and 41 high schools, the ASU pledged full support for AYC program; condemned Roosevelt's war policy; issued a student anti-war strike call; asked collaboration for peace with Chinese and Soviet people; and rallied to defense of schools and academic rights.

IV

LEGISLATION

FROM 1938 through 1940, efforts to extend beneficial social and labor legislation and to improve laws passed during earlier years made little progress. Growing employer opposition to any further "reforms" developed into an active campaign to pass destructive amendments to such vital legislation as Fair Labor Standards and National Labor Relations Acts. Labor and progressive forces successfully forestalled this attack and no weakening changes were enacted.

With outbreak of war in September, 1939, "national defense needs" became the slogan of a widespread attack on all labor standards. Employers' associations, such as National Association of Manufacturers, Chamber of Commerce of the United States, business research agencies such as National Industrial Conference Board, Twentieth Century Fund, and Brookings Institution, as well as individual corporations, pressed for a program for "the emergency" that would in effect nullify all the hard-won labor gains of the past ten years.

Even before most of these proposals were carried out the situation had become so serious that *The New Republic* (Feb. 17, 1940), pro-administration weekly, declared: "In the eight months of the defense program, labor has suffered tremendous losses. No other group has yet been asked to make any sacrifices at all."

The various employer programs were unanimous in their demand that working hours be lengthened, overtime pay for hours in excess of 40 a week be eliminated, wage rates be kept down, and consumption of the people generally be curtailed through various tax devices, and that government expenditures for WPA and other forms of relief be cut. They urged new legislation providing mediation and arbitration procedures designed to weaken effectiveness of strike

action. This whole anti-labor drive was reflected in Congress and in many state legislatures where bills were drafted to embody employer demands.

Countering these proposals, organized labor and other progressive forces declared that adequate national defense precluded any lowering of working standards and living conditions. They pressed for a program to tackle realistically the problems of health, housing, insecurity and want faced by millions of Americans.

NATIONAL LABOR RELATIONS ACT

No piece of legislation or any administrative agency has in recent years, if ever, been subjected to the unceasing and vitriolic attacks to which National Labor Relations Act and National Labor Relations Board have been subjected. Act remains unchanged on federal statute books—a tribute to efforts of CIO, millions of rank-and-file AFL members, and the progressive forces generally. Their campaign in defense of Act was successful despite fact that top leadership of AFL joined hands with National Association of Manufacturers, Chamber of Commerce of United States and Congressional Tories, in demand for emasculating amendments, and despite intensified campaign for the Act's destruction that accompanied the increasing war hysteria.

Amendment Drive

Under guise of "equalizing" NLRA or making it less "one-sided" amending forces brought forward every possible device for relaxing restrictions on employers and imposing such restrictions on labor as to threaten destruction of trade unions and subvert main purpose of the Act. Amendments included various plans of anti-union employers originated and pushed long before NLRA was enacted. Formerly advanced openly as attacks on labor, they were now pressed as remedies for claimed "inequalities" in the Act. As Sen. Robert F. Wagner, author of NLRA, put it, they were:

designed to destroy the equality of bargaining power that the labor act strives to make possible and to restore the gross inequality that existed when the isolated worker stacked his pitiful weakness against the gigantic strength of consolidated capital. (*N. Y. Times*, April 12, 1939.)

Most frequently demanded changes showed that real aim of amenders was outright destruction of Act. These included:

"Coercion from Any Source": Widespread demand of employers to prohibit "coercion from any source" covered multitude of plans aimed primarily at superimposing federal administrative restriction of union activities upon severe local police regulations. Common purpose of all proposals was to prevent effective labor organization.

Strike Restriction: Practically every proposal that had ever been made for legislative outlawing of strikes, regulation of strike activities or crippling of effectiveness of strike action was offered as an amendment to NLRA. Union organization itself was threatened by amendment empowering NLRB to prohibit collection or receipt of dues, assessments, contributions, or other things of value as penalty upon unions for violation of proposed restrictions on union activity.

"Freedom of Speech": Foes contended that NLRB denied "free speech" by prohibiting employers' expression of opinion on labor organization matters. Main campaign on this point grew out of NLRB decisions on Ford Motor Co., particularly case involving Ford plants at River Rouge and Highland Park, Mich. Circuit Court of Appeals upheld NLRB order on all points except its prohibition of the distribution of "Fordisms"—intimidating propaganda against unions. U. S. Supreme Court, February 10, 1941, declined to hear Ford's appeal and thus affirmed lower court decision.

NLRA does restrict right of employers to threaten, intimidate or frighten workers from joining unions. On the other hand, it has extended civil freedom to millions previously denied it. As NLRB Chairman Madden stated before Senate Committee on Education and Labor:

"A large proportion of the millions of newly organized workers are enjoying for the first time those civil liberties which organization often helps to secure—the right of free speech, the right of free assembly, the right of adequate protection against organized lawlessness. Civil liberties have become a living reality in many communities where they were not previously enjoyed."

Separation of NLRB Functions: Opponents of NLRA, including top leadership of AFL, demanded that functions of NLRB as investigator, accuser and judge be separated. This would result, as former NLRB General Counsel Charles Fahy put it, in "litigation for purposes of delay, defeat of the rights sought to be protected, diffusion of responsibility, conflict of interpretation and decision, and in the end, nullification." (*N. Y. Times*, April 23, 1939.)

Such separation of functions is, moreover, without justification. Mingling of these three functions in a single agency is a principle that has long been accepted; it applies to all administrative agencies such as the Interstate Commerce, Securities and Exchange, and Federal Trade commissions as well as to numerous state agencies. It could have effect only of turning

over to notoriously anti-labor courts final decision as to whether employer had violated NLRA, a power Congress expressly gave to NLRB alone.

Invalidation of Contracts: Proposal of AFL officials to deprive NLRB of power to invalidate contracts would give employer freedom to enter into a contract with a labor organization even though he used unfair practices prohibited by NLRA. It would leave him free to make a contract with a minority union, conclude a closed-shop contract with this minority, and use the contract as an excuse not to bargain with any other union. It would have resulted in renewed use of most of methods and schemes used by employers to set up company unions.

Craft Unions: Charging NLRB with CIO bias, AFL leaders demanded that NLRA be amended to make it mandatory for NLRB to certify a craft unit no matter how small, if a majority of that craft group demanded it. Such a provision would not only hinder industrial organization of a plant, it would promote industrial strife and chaos and prevent the peaceful collective bargaining aim of NLRA.

Analysis of NLRB cases, moreover, indicated that AFL charge was unfounded. For in the 71 cases decided by NLRB during fiscal year ending June 30, 1940, in which there had been a conflict between two organizations involving the appropriate unit, NLRB had upheld AFL 50 times, CIO 19 times, and in two instances no decision was necessary. Analysis of these cases indicated also that such an amendment was unnecessary. For during this same fiscal year AFL unions had requested some form of industrial unit in about 230 cases but had asked for craft unit in only approximately 109 cases. Moreover, under pressure from AFL, NLRB has frequently so interpreted NLRA as to allow craft splinter groups to invade industrial unions, despite vigorous protest of CIO.

These destructive amendments and many other weakening ones were embodied in bills introduced in the first session of 76th Congress. During this session, House of Representatives appropriated \$50,000 for a special committee to "investigate" NLRB administration of NLRA and recommend amendments. Rep. Howard W. Smith (D., Va.), author of resolution, became chairman of committee. He introduced in second session of 76th Congress HR 1883, the Smith bill, combining all the emasculating amendments of the Burke, Holman, and Walsh bills whose threat to NLRA had been completely exposed during congressional hearings of the first session.

Smith Bill: By a vote of 258 to 129, House of Representatives passed, June 7, 1940, crippling Smith amendments to NLRA. Brought to floor under ruling of reactionary anti-labor Rules Committee, adoption of these amendments, against which CIO and rank and file of organized labor waged a continuous battle, was made possible by action of AFL top executives.

AFL executive council had supported Walsh bill in first session of Congress. Documentary evidence presented to Congress by CIO proved that this bill had been drawn up by AFL legal counsel Joseph Padway in collaboration with executives and attorneys for corporations that had been violators of NLRA. Thus, after first condemning Smith amendments as destructive of NLRA, AFL leadership turned around and supported measure when Smith committee inserted craft union and other weakening amendments. It took this action despite fact that heads of some of its own important international unions, and trade and federal labor unions had gone on record as opposed to any amendment of NLRA.

As passed by House, Smith amendments virtually repealed NLRA and turned it into a weapon for oppression of labor and the destruction of trade unions. Senate, however, let the bill die in committee.

NLRA and "Defense" Contracts

In January, 1939, CIO President John L. Lewis requested President Roosevelt to issue an executive order requiring recipients of government contracts to state that they were not violating the NLRA and would not do so for the duration of the contract. Lewis took this action after CIO had for two years unsuccessfully attempted to have this written into Walsh-Healey Act. President Roosevelt refused to execute such an order on ground that it would be held invalid and recommended that only course was remedial legislation.

Initiation of war preparations program in June, 1940, gave to National Defense Advisory Commission authority to hand out billions of dollars of government orders which it proceeded to give to such notorious violators of federal labor laws, and especially of NLRA, as Bethlehem Steel Corp., Ford Motor Co., Newport News Shipbuilding Co., Electric Boat Co., E. I. duPont de Nemours, International Shoe Co., and others.

Protest of militant section of organized labor against this practice and its insistence upon a definite statement of policy as to compliance with labor laws, led to NDAC's declaration, August 31, 1940, which said in part:

"All work carried on as part of the defense program should comply with Federal statutory provisions affecting labor wherever such provisions are applicable. This applies to the Walsh-Healey Act, the Fair Labor Standards Act, the National Labor Relations Act, and so forth. There should also be compliance with State and local statutes affecting labor relations, hours of work, wages, workmen's compensation, safety, sanitation."

Expressly approved by Roosevelt in a message to Congress, September 13, 1940, this statement roused a storm of indignation among employer

interests. In response to this protest the Smith Committee investigating NLRB promptly held hearings at which Attorney General Robert H. Jackson, NDAC member Sidney Hillman, Asst. Secretary of War Robert P. Patterson and Secretary of the Navy Frank Knox all denied that contractors were required to obey NLRA or that contracts would be denied NLRA violators.

Supreme Court Decisions on NLRA

In 25 cases decided by U. S. Supreme Court up to February, 1941, it has upheld NLRB interpretation of Act in all but two decisions and modified it only twice. No other government agency has ever achieved a record comparable to this.

Important Supreme Court decisions have upheld NLRB's cancellation of company-union and individual contracts, disestablishment of company unions, and application of NLRA to local public utilities where interstate commerce depends upon their continuity of service. Important recent decisions have involved reinstatement of sit-down strikers, judicial review of NLRB findings, and written contracts:

Sit-Down Strikes: In case of NLRB *v.* Fansteel Metallurgical & Chemical Co., the Court majority opinion, February 27, 1939, reversed NLRB reinstatement of workers involved in sit-down strike on ground that workers who "commit acts of violence" or are guilty of "illegal conduct" such as Supreme Court held sit-down strike to be, forfeited protection of NLRA. Justices Reed and Black, dissenting, argued that "Friction easily engendered by labor strikes, may readily give rise to conflict from nose-thumbing to sabotage, which will give fair occasion for discharge on grounds other than those prohibited by the Labor Act." Referring to specific NLRA provision protecting all strikers, they declared: "Congress sought by clear language to eliminate this prolific source of ill feeling by the provision just quoted which should be interpreted in accordance with its language as continuing the eligibility of a striker for reinstatement, regardless of conduct by the striker or action by the employer."

Judicial Review: Three Supreme Court decisions in 1939 (Fansteel Metallurgical & Chemical Co., Sands Mfg. Co. and Columbian Enamelling & Stamping Co.) had encouraged courts to substitute their opinion for that of NLRB, despite provision in NLRA expressly stating that Board's finding of fact is final.

More recently Supreme Court has held that Courts are denied this power. In NLRB *v.* Waterman Steamship Co., Supreme Court held, February 12, 1940, that Congress has "deemed it wise to entrust the

finding of facts" to specialized agencies like NLRB and that "whether the court would reach the same conclusion as the Board from the conflicting evidence is immaterial..." It stated unequivocally that "It is of paramount importance that courts [shall] not encroach upon this exclusive power of the Board if effect is to be given the intention of Congress..."

In its decision on case of *NLRB v. Link Belt Co.* (January 6, 1941), Supreme Court stated: "We are of the opinion that the Court of Appeals in reaching that conclusion substituted its judgment on disputed facts for the board's judgment—a power which has been denied it by Congress. Congress entrusted the board, not the courts, with the power to draw inferences from the facts."

Written Contracts: In an especially significant decision, January 6, 1941, Supreme Court held in case of *NLRB v. H. J. Heinz Co.*, that a company's refusal to sign a written agreement constitutes a refusal to bargain collectively. Affirming labor's contention, Court agreed with NLRB that "experience has shown that refusal to sign a written contract has been a not infrequent means of frustrating the bargaining process" and refusing to recognize the union. It declared that in enacting NLRA Congress included "the signed agreement long recognized under the earlier acts as the final step in the bargaining process."

State Labor Relations Acts

Labor relations acts substantially similar to NLRA are still on the statute books of Massachusetts, New York and Utah. But during 1939, amendments to the Pennsylvania act turned it into an anti-labor weapon, the Wisconsin act was repealed to make way for the reactionary "Employment Peace Act," while Michigan and Minnesota enacted new laws of a most restrictive character. In these latter four states organized labor has waged a continuous campaign for the repeal or thoroughgoing amendment of these laws and has sought through court action to have them declared unconstitutional.

In 1940, Kentucky legislature made a declaration of public policy affirming right of workers to organize and bargain collectively through representatives of their own choosing, to strike and engage in peaceful picketing; condemning unfair and violent acts or intimidation by either employers or employees; and providing mediation of disputes by Commissioner if mutually agreeable.

Wisconsin, Pennsylvania, Michigan and Minnesota laws all prohibit certain important union activities as "unfair labor practices" with loss of status as employee the penalty for violation of these

restrictions. These laws also include prohibition of "coercion from any source," a provision similar to that considered and rejected by Congress when it passed NLRA. Pennsylvania's law, for example, states: "It shall be an unfair labor practice for a labor organization ... to intimidate, restrain or coerce any employee ... with the intent of compelling such employee to join or to refrain from joining any labor organization." The varied and innumerable interpretations anti-labor courts have given to such a term as "coercion" indicates how such a provision can be utilized to defeat legitimate union activities.

Under the Wisconsin law a strike is "illegal" unless a majority of workers have voted for it by secret ballot, and a closed shop may be concluded only if favored by three-quarters of employees in secret ballot. Under the Minnesota law even picketing is permitted only by a majority of workers of employer involved.

Michigan and Minnesota laws both require a waiting period before a strike may be called. Michigan's act called for five days' notice in all industries except public utilities where it required 30 days' notice. Under impetus of war hysteria, however, Michigan Labor Board ruled that 30 days' notice must be given before strike can be called in any plants producing "national defense materials," a term which is interpreted by employers to cover practically all industry in this highly industrialized state. Minnesota's law requires ten days' notice before any strike may be called. Sit-down strikes are declared to be "illegal" in both Michigan and Pennsylvania laws.

FAIR LABOR STANDARDS ACT

From date of enactment of Fair Labor Standards Act in 1938 (see *Labor Fact Book IV*, p. 49 ff.) the anti-labor forces which had bitterly opposed this measure, have continuously sought to weaken and destroy it. Main drive in Congress was led by southern bloc of "dime-an-hour" Congressmen who, with active support of reactionary House Rules Committee, sought to undermine minimum wage level; while representatives of northern industrialists attacked maximum hour and overtime provisions. Amendments offered would have deprived some 2,900,000 additional workers of Act's protection. Determined opposition of organized labor and progressives, however,

successfully prevented enactment of any emasculating amendments in 76th session of Congress.

With outbreak of war in Europe, drive against FLSA gained new momentum. "National defense needs" became excuse for employer demands for outright repeal of law as well as its emasculation through extension of maximum hour limitation to 48 per week and elimination of payment for overtime.

While FLSA has so far escaped crippling amendments, lax enforcement has diminished its effectiveness. Interpretive rulings and a growing volume of exemptions under administration of Col. Philip B. Fleming, army officer whose appointment was actively protested by organized labor, have laid basis for undermining basic provisions and purposes of Act.

Lax Enforcement: Administration officials have sought to excuse inefficiency and maladministration of FLSA by reference to inadequate funds. Congressional appropriations have been inadequate. Yet Wage-and-Hour Division returned to Treasury, July 1, 1940, an unexpended balance of \$387,000—enough to provide for 180 inspectors—from an appropriation which had been increased from a much lower level only at insistence of labor.

Maladministration threatens not only maintenance of statutory provisions of FLSA but also minimum wage standards approved for individual industries. By October, 1940, number of uninvestigated complaints in Wage-and-Hour Division had reached 64,000 and organized labor bitterly protested "almost complete breakdown of enforcement." Most violations occur in lumber, leather, shoe, wool, furniture, hosiery, apparel and pecan shelling industries. Investigations revealed, for example, wages of \$3.01 for work-week of 51 hours in pecan shelling and hourly wages as low as 5¢ and 10¢ in lumber.

Interpretive rulings and exemptions most seriously threatening basic provision of Act include the following:

1. Food processing and canning industries, already exempted for 14 weeks from maximum hour and overtime provisions by FLSA itself, were granted exemption for an additional 14 weeks, the total of 28 weeks representing normal length of entire rush season. Some 320,000 workers were thus subjected to excessive hours (up to 56 per week) without overtime pay. Similar seasonal exemptions have been granted to over 20 other industries such as vegetable packing, sorting of nursery stock, etc.

2. Terms "executive," "administrative and professional employees" and "outside salesmen" were redefined and those receiving \$30 a week exempted from overtime provisions, thus creating loop-hole for excessive hours and denial of overtime to additional thousands of workers.

3. Rulings which permit employment of apprentices, learners and handicapped workers at less than FLSA minimum of 30¢ per hour seriously threaten minimum wage standard of all workers as experience under National Industrial Recovery Act amply proved. (See *Labor Fact Book II*, p. 78.)

Amendments: Two changes have been made in FLSA since its enactment. First, telephone switchboard operators of exchanges serving less than 500 subscribers were exempted from protection of Act. Second, Wage-and-Hour Administrator was empowered to appoint industry committees to recommend wages for Puerto Rico and Virgin Islands of less than 30¢ per hour.

Coverage: Some 13 million workers, according to estimates of U. S. Bureau of Labor Statistics, are employed in industrial production of goods for interstate commerce and thus covered by FLSA. Only one out of three of lowest paid workers in country is covered.

Minimum Wages: Operation of industry committees authorized by Act to recommend minimum wage rates higher than FLSA standard has been exceedingly slow. To date only the following orders have been approved: apparel industry, 32½¢, 35¢, 37½¢ and 40¢; hats, 40¢, straw and harvest hats, 35¢ in U. S., 30¢ in Puerto Rico; hosiery, seamless, 32½¢, full-fashioned, 40¢; knitted outerwear, 35¢; knitted underwear and commercial knitting, 33½¢; millinery, 40¢; pulp and primary paper, 40¢; shoes, 35¢; textiles, 32½¢, woolen textiles, 36¢; railroads, 36¢ on Class I roads and 33¢ on short lines; leather, 40¢; luggage and leather goods, 35¢; and embroidery, 37½¢. In Puerto Rico, needle workers, including glove makers, receive minima ranging from 12½¢ to 22½¢.

Number of employees directly affected by these wage orders is estimated at over 600,000, excluding Puerto Rico.

Supreme Court Decision: In two decisions, February 3, 1941, U. S. Supreme Court in cases involving F. W. Darby Lumber Co., and Opp Cotton Mills Inc., *et al*, upheld constitutionality of FLSA and its procedure for establishing minimum wages in industries producing goods for interstate commerce. Darby case opinion declared that power of Congress to regulate interstate commerce "is complete in itself, may be exercised to its utmost extent, and acknowledges no limitations other than are prescribed by the Constitution." It held this power to extend to regulation of intrastate activities considered by Congress to be injurious to public health, morals or welfare and affecting interstate commerce. (Same decision also covered child labor; see p. 69.)

State Laws: Nine states, Hawaii, and D. of C. now have laws providing for state co-operation with federal government in administration of FLSA. But no state has enacted a law supplementing the federal legislation although such acts were introduced in legislatures of 29 states in 1939 and in four states in 1940. Labor continues its campaign for passage of state acts patterned after FLSA for the protection of workers in intrastate employment.

PUBLIC CONTRACTS ACT

Efforts of CIO and other progressive forces to obtain amendments to Public Contracts Act, sometimes referred to as Walsh-Healey Act, have proved unavailing. Amendments proposed would have lowered to \$4,000 the value of contracts subject to Act, included shipbuilding under Act's provisions, and required contractors to obey provisions of both FLSA and NLRA. During 76th Congress, these amendments, attached to National Defense Bill of 1939, were stricken out in conference under pressure from War and Navy departments and National Association of Manufacturers.

These strengthening amendments suffered defeat. Instead, Act was weakened by section in Public Act No. 671, which amends Walsh-Healey Act to "permit President to suspend any or all of the labor standards when in his judgment such a course is in the public interest."

Focus of war drive to undermine labor standards has been provision of Walsh-Healey Act that time and one-half be paid for hours over 40 per week. This, as well as other protective provisions of Act, are threatened by wide power given Executive in above amendment.

Discussion during Congressional debate revealed also a dangerous loophole in the Act itself. According to *Labor Relations Reporter* (May 20, 1940) Section 6, referring to exemptions from Act, provides that where the head of a government department finds that inclusion in contracts of the minimum wage and a 40-hour week "will grievously impair the conduct of Government business, the Secretary of Labor *shall* make exception when public interest will be served thereby." In other words, this section requires the revocation of any or all of maximum-hour, minimum-wage and overtime provisions of Act whenever a government department head so demands.

Danger in this loophole is underlined by fact that chief opposition to Act has come from War and Navy departments.

Minimum Wages: Public Contracts Board has established following minimum wages for a 40-hour week. (These are in addition to those listed in *Labor Fact Book IV.*)

Wool carpet and rug industry, \$16; fireworks, \$12.50; tag industry, \$13.20; aircraft manufacturing, \$20; iron and steel, geographical differentials with hourly rates of 45¢, 58½¢, 60¢, and 62½¢; bobbinets manufacturing, \$15; tobacco, \$13; furniture, geographic differentials of \$12, \$14, \$20 for wood furniture, \$15 for public seating, and \$18 for metal furniture; drug and medicine industry, \$15; specialty accounting supply manufacturing industry, \$16; photographic supplies industry, \$16; soap industry, \$16; fertilizer industry, geographic differentials of \$10, \$12, \$16 and \$20; paper and pulp, \$14, \$15.60 and \$20; ammunition and explosives, \$17, \$19 and \$23, depending on branch of industry; cement industry, geographic differentials of \$16, \$18.80, \$20, \$22, \$22.80, \$25, \$25.40, \$28; blue print paper coating industry, \$16; structural clay products industry, geographical differentials of \$12 and \$16; die casting, \$20.

Supreme Court Decision: In an eight to one decision, April 29, 1940, in case of Perkins, *et. al. v. Lukens Steel Co. et. al.*, United States Supreme Court upheld power given under Public Contracts Act to Secretary of Labor to set minimum wage standards. Case originated in refusal of "Little Steel" companies to pay 62½¢ minimum wage set by Public Contracts Board for steel industry in certain states. Decision said that government may "lay down guide posts by which its agents are to proceed in the procurement of supplies," that the Act was intended to impose obligations upon those favored with government business and to "obviate the possibility that any expenditures would go to forces tending to depress wages and purchasing power and offending fair social standards of employment."

SOCIAL SECURITY

Responding to widespread pressure for liberalization of Federal Social Security Act, Congress, in August, 1939, passed amendments improving the old-age pension provisions, liberalizing grants to states for old-age assistance, and providing a little more aid for the blind, for crippled children, and for child and maternal health care.

Old-Age and Survivors Insurance

The 1939 amendments to Federal Social Security Act (see *Labor Fact Book III*, pp. 22-26, and *Labor Fact Book IV*, pp. 53-54) made

the following important changes in the old-age insurance provisions:

Coverage: Insurance was extended to employees of national banks and savings and loan associations, seamen on American vessels and men already 65 when Act passed—an estimated 1,100,000 persons. Supplementary benefits were provided for 65-year-old wives of covered employees, widows of any age with children under 18, whose husbands die after January 1, 1940, widows over 65 without dependent children, and totally dependent parents. Additional workers were excluded by redefinition of "agricultural labor."

Tax: The funds for payment of the insurance still come not from the government but from employees and employers. Each of these groups has to pay a tax of 1% of first \$3,000 of employee's wage or salary for 1940, 1941, and 1942, the percentage rising thereafter until it reaches 3% from each in 1949.

Benefit Payments: These are now calculated on basis of insured worker's average wage rather than on total wages he has received. This gives proportionately higher benefits to lower-paid workers. Under new formula, monthly benefits are figured as follows: on first \$50 of a man's average monthly wage, he gets 40%, which amounts to \$20. On the amount over \$50 per month and up to \$250 per month, he gets 10% or \$20. This basic amount is increased by 1% for each year in which the wage earner made at least \$200 in covered employment. For example: assume a single man has worked regularly in covered employment up to 1945 at an average salary of \$100 a month; his monthly benefit upon retiring at that date will be calculated as follows: 40% of \$50, or \$20, plus 10% of \$50, or \$5, plus 1% of the total, \$25 (1% for each of eight years), or \$2, making a total monthly benefit of \$27. Benefits became payable in 1940 instead of 1942.

Following benefits also were established: A wife 65 years of age will now receive either 50% of her husband's basic monthly benefit or a monthly benefit based on her own earnings if she has worked in covered employment, whichever is higher; 65-year-old widow receives 75% of her husband's monthly benefit as long as she lives. A widow less than 65 years of age with dependent children under 18 years of age will receive an amount equal to 50% of her husband's monthly benefit for each of the children until they are 18 years old. A man retiring at 65 whose wife is too young to receive any benefit but who has dependent children will receive in addition to his own benefit an additional amount equal to 50% of his monthly benefit for each of the children until they are 18 years of

age. Dependent parents of an unmarried worker who dies after the age of 65 will receive a monthly benefit equal to 50% of the insured worker's monthly benefit. If survivors of insured person are not entitled to monthly annuities, a lump sum equal to six times the insured person's benefit will be paid to widow, widower, the children or parents of deceased. Total monthly benefit payable is limited to either 200% of worker's own benefit, or 85% of average monthly wage, or \$85, whichever is smallest.

Qualifications: To qualify for retirement benefits after 65 years of age, a worker must be "fully insured" which means that he must have earned at least \$50 a quarter for half the number of calendar quarters elapsing between December 31, 1936, (or the age of 21, if that occurs later) and date he became 65 or died. He must have at least six quarters of coverage to obtain any benefits, and when he has had 40 quarters of coverage he is "fully insured" regardless of his employment thereafter. All benefits provided are payable with respect to "fully insured" workers.

Survivors' benefits to minor children and widows with such children are provided in the case of "currently insured" workers, i.e. workers who have earned at least \$50 for each of six quarters in the three years prior to their death.

Average Benefits Paid: Social Security Board reports that during 1940, the first year of operation under old-age and survivors insurance system, Board made a total of 254,984 awards for monthly benefit payments, totaling \$4,710,281 per month as of December 31, 1940; and approved 75,095 lump-sum death claims.

Average monthly benefit payments were: to retired workers, \$22.70; to aged wives of retired workers, \$12.15; to children, \$12.20; to aged widows, \$20.36; to widows with young children, \$19.60; and to parents, \$13.09.

Inadequacy: By no means all shortcomings of old-age insurance system were eliminated by 1939 amendments. Most flagrant defect is still its limited coverage. Large groups of workers are still excluded, such as federal, state, city and county employees, agricultural workers, domestic workers, fishermen, employees of religious, charitable, and educational organizations, newsboys under 18, workers engaged in casual labor and others. Total thus excluded, according to Social Security Board estimate, is between 28 and 35 million persons. (*Social Security Yearbook*, 1939.) When it failed to extend coverage, Congress ignored not only the demands of organized labor, but also specific recommendations of the Social Security Board and of the Senate Committee's specially appointed Advisory Council on Social Security.

Other major defects are: (1) eligibility at age of 65 instead of 60; (2) inadequate benefits, especially for low-paid workers; (3) lack of protection for workers disabled through illness or accident; (4) discrimination against younger workers; (5) imposition of tax on workers' earnings and regressive payroll tax which employer can shift to consumers in higher prices.

Old-Age Assistance

Inadequacy of federal-state system of old-age assistance set up under Federal Social Security Act gave birth to a variety of national and local organizations such as the Old-Age Revolving Pensions, Ltd. (Townsend movement), the General Welfare Federation of America with membership in several states, and local organizations whose growth testified to the tremendous need for this aid. Washington Old Age Pensions Union succeeded in December, 1940, in obtaining law in that state providing \$40 per month pension to any citizen over 65 whose income is less than that amount. It also provides free medical, dental and hospital care.

In response to these movements and in an effort to avoid the liberal provisions of their proposed plans, Congress increased the federal contribution to state old-age assistance plans from \$15 to a maximum of \$20 per month. In other words, federal government now gives to states \$1 for every \$1 the state pays to needy aged up to a maximum of \$20 per month, so that maximum payable is \$40.

Average Benefits: During 1940, an average of only 1,986,446 needy aged received monthly benefits under these state plans; they averaged \$19.96 a month, or less than \$5 a week. In December, 1940, 2,069,972 received an average monthly benefit of \$20.24. Benefit payments ranged from a high of \$37.87 per recipient in California to as low as \$7.87 per month in Arkansas and \$7.91 in So. Carolina.

Social Security Board estimates of proportion of aged receiving monthly benefits indicate inadequacy. In August, 1940, only 253 persons per 1,000 over 65 years of age in U. S. as a whole received this kind of aid. In Colorado, proportion in August, 1940, was 511 per 1,000; but in District of Columbia it was only 80 and in Virginia, 122 per 1,000.

Inadequacy of Pensions: It is estimated that there are some 13,000,000 persons over 60 years of age in the United States. According to Maxwell Stewart, in *Pensions Over 60*, (Public Affairs Pamphlet No. 46), "of these 4,200,000 are employed. Another 1,500,000 are housewives married to employed men. Less than 100,000 are entitled to federal old-age annuities at the present time (middle of 1940) and 1,900,000 are receiving state old-age pensions. At most a half million are living on pensions provided by their former employers. This leaves more than 4,500,000 aged persons for whom no provision is made."

Presenting the problem in another light, figures compiled by the Social Security Board showed that at the beginning of 1937, out of every 1,000 persons over 65 years of age, 351 were "self-dependent," i.e., 128 had current earnings, 150 had savings, and balance had public or private pen-

sions. Of the remaining 649 some 203 were depending wholly or in part on public or private charity and 446 were supported by friends or relatives. On the basis of 8.5 million persons over 65 years of age, this indicates that over 5.5 millions are in need of immediate aid and assuming that the relationship holds for all those over 60 years of age, the figure approximates 8.5 million persons. Comparing this with the two million actually receiving aid in 1940, the inadequacy of the system is evident.

Among other major defects of old-age assistance program are failure of federal government to (1) set minimum payment meeting needs of an adequate living standard; and (2) make proportionately larger contributions to economically backward states to enable them to pay such minimum amounts.

Unemployment Compensation

Criticism of the complexity and inadequacy of unemployment compensation statutes set up under Federal Social Security Act (see *Labor Fact Book III*, pp. 24-26) has been widespread. Congress ignored all the programs presented to eliminate these shortcomings and made only one change: it extended coverage of Act to include bank employees.

All states, the District of Columbia, Hawaii and Alaska now have unemployment compensation laws. These all exclude certain categories of workers and all but three base coverage on number of workers employed: 26 jurisdictions only cover employees of eight or more workers; 8 cover those with one or more workers; others range between these limits. In three states amount of payroll determines coverage.

In 46 jurisdictions, funds come from tax on employers based on wages earned by workers; in 5 states workers are also required to contribute. Standard rate of employer contribution is 2.7% in all states except Michigan where it is 3%.

In 39 jurisdictions "experience rating" is authorized. This provision, included in Federal Act, permits employer's contribution to be varied from standard rate if his labor turnover declines. AFL, CIO and American Association for Social Security have protested against this provision. Labor holds that 2.7% rate is already inadequate to build up sufficient reserves; that allowing reduction in rate when employment conditions are good means failure to build up adequate reserves for periods of increasing unemployment and hence threatens whole system of unemployment compensation.

Under laws of most states, benefits paid to totally unemployed workers are at rate of 50% of his full-time weekly wage. Maximum weekly payment established is \$15 in 41 states; \$16 in Alaska, Illinois, Michigan, Rhode Island and Utah; \$18 in California, District of Columbia, Idaho, Louisiana, New Jersey and Wyoming. In 42 states there is a flat minimum

weekly benefit ranging from \$1.50 in North Carolina to \$10 in California. Ohio has no minimum.

Number of full weekly benefits unemployed worker may receive is uniform for all workers in 11 states; but in other 40 jurisdictions it varies in relation to past earnings (or employment, in Wisconsin). Most common maximum duration, effective in 28 states, is for 16 times weekly benefit amount.

All states require a "waiting period" during which benefits are not received. This is either two or three weeks in all states except Rhode Island and Texas where it is only one week. All states disqualify workers from receiving benefits for additional periods under certain conditions: workers who refuse to accept "suitable" work and those on strike are disqualified in all jurisdictions; workers discharged for "misconduct" are disqualified in all states except Massachusetts and Pennsylvania.

Benefits: During 1940, \$519,945,914 was paid out in unemployment benefits. Average for the year per beneficiary amounted to only \$100. In 30 states average weekly check for total unemployment was under \$10. Available information from 25 states shows an average duration ranging from five to 12 weeks. In North Carolina, average check was \$4.68 per week; in California, where benefits were highest, it averaged about \$14 per week. Part-time employment benefits averaged \$6.43 for country as a whole.

Small payments and short duration of benefits have resulted in building up large reserves, which reached more than \$1.8 billion by end of August, 1940. Besides representing a serious drain on purchasing power, the high reserve level is used by employers as a reason for reduction in tax rate.

Defects: Unemployment insurance legislation obviously does not meet workers' needs. It is neither a "social" insurance scheme, for it is based on "private" insurance principles, nor is it "insurance" against the hazards and privations of joblessness. Following are among the serious defects:

1. Instead of one federal system with decent minimum standards as to amount and duration, with larger subsidies for economically backward states, there are 51 separate systems, with no minimum standards imposed by the federal government. The system is complicated and inefficient in administration.
2. Large numbers of workers are excluded from coverage: persons working in small firms employing less than eight in some states, less than four in others; all farmers and agricultural labor; domestics; casual workers; government workers; persons engaged by non-profit institutions; the self-employed.
3. Benefits are totally inadequate, and since they are related to past earnings, the lowest-paid workers, in greatest need, get the smallest amounts. No provision is made for dependents. Waiting period is too long and duration of payments is much too short.
4. Method of financing is through the regressive payroll tax. Instead of raising the funds by taxation on wealth, the burdened, underpaid work-

ers actually pay for their own insurance, for employers pass on payroll taxes in the form of lower wages to workers and in higher prices to consumers.

WORKMEN'S COMPENSATION

At the beginning of 1940, 47 states, the District of Columbia, Hawaii, Alaska, Puerto Rico and the Philippine Islands had workmen's compensation laws and were covered also by two federal laws—Civil Employees Compensation Act and U. S. Longshoremen's Act. Only Mississippi had no such legislation. These 54 separate laws are similar only in that they provide for payment of benefits to injured workers or dependents of workers killed in industrial accidents; otherwise, there is great diversity as to their provisions, the majority being wholly inadequate. Of the 54 laws, 21 are compulsory and 32 elective, i.e., employers may or may not undertake to abide by their provisions. Some of the elective laws, however, are compulsory with respect to public employees or certain types of hazardous employment.

Coverage: None of the laws covers all employees and in nine states they are compulsory only for workers in hazardous occupations. In 28 states employers of less than a stipulated number of workers ranging from two (Oklahoma) to 15 (So. Carolina) are exempted from provisions of the statutes. Railroad workers are excluded from protection of all state laws because interstate commerce comes under federal jurisdiction. Only nine states' laws cover some agricultural workers, the rest expressly excluding them; and only two states (New Jersey and Connecticut) cover domestic service workers. Casual laborers are excluded from protection by all states; and 39 of the 54 laws discriminate by exclusion, reduced benefits, restriction of possible beneficiaries, and in other ways against dependents of non-resident aliens.

In 30 of the workmen's compensation statutes the provisions cover all or certain specific occupational diseases. Coverage is generally inadequate, however, and illiberal interpretation of provisions results in workers actually receiving less relief.

Waiting Periods: All state laws have a required "waiting" period ranging from a minimum of one day (Alaska) to a maximum of 14 days (Iowa) with the majority requiring seven days. Compensation is paid for the "waiting" period in 34 states if disability continues for a specified length of time.

Death Benefits: In a few states death benefits are limited to monthly payments for a specified period, while in others they are limited to a total

maximum payment ranging from \$3,000 to \$15,000. In all states the amounts paid are meager and wholly inadequate to compensate for the loss of the family bread-winner. Death benefit payments in only seven states continue for life or until the widow remarries.

Disability Benefits: Benefit payments for total disability range from 50% to 70% of wages, for period ranging from 240 weeks, with less for balance of widow's life (Cal.), to life.

Benefit payments provided for permanent partial disability range from 50% to 66 $\frac{2}{3}$ % of wages for periods ranging from 150 weeks (Maine, R. I.) to 500 weeks (Wisc.) or whole period of disability (Civil Employees Act).

Administration: Workmen's compensation laws are administered either by a special commission or board or by the courts. Obviously, where compensation laws are administered by courts, their benefits are practically unattainable; for the cost of long-drawn-out court suits is generally prohibitive for workers affected. Furthermore, courts are in no position to settle compensation claims, lacking for the most part any appreciation or understanding of industrial problems or workers' needs.

Only 25 state laws have provisions requiring that reports be made of all industrial accidents. There is no uniformity whatever in these provisions. A government study, from which most of the above facts are taken, says, "the importance of complete reports showing causes, nature, severity, and costs has been too little recognized even among those charged with the administration of the laws, while the employer has been too prone to minimize or disregard the occurrence of accidents except as an unfortunate incident involving some form of liability." (*Monthly Labor Review*, March, 1940.)

RAILROAD LABOR LAWS

Enactment of favorable railroad labor legislation is largely due to political influence which this highly organized group, representing nearly a million railroad workers, is able to bring. Foremost among railroad labor's gains in past two years were liberalization of Railroad Unemployment Insurance Act; amendment of Railroad Retirement Act, making past military service in a war-period creditable toward railroad retirement annuities; making specific protection of labor in railroad consolidations; and liberalization of Federal Employers Liability Act.

Unemployment Insurance: Amendment of Unemployment Insurance Act, enacted despite opposition of managements, substantially increased benefit payments. Instead of six daily benefit amounts ranging from \$1.75 to \$3 under original act, eligible workers now get seven daily benefit amounts ranging from \$1.75 to \$4. Maximum benefits under

amended act range from \$17.50 to \$40 for 14 days. Maximum amount in one benefit year now ranges from \$175 to \$400. The Railroad Retirement Board estimates that if the amendments had been in force during the first year of the act's operation, benefit payments would have been nearly 60% higher.

Military service prior to January 1, 1937, in a war-period will be credited toward retirement annuities of railroad employees if their railroad service was actually interrupted by their military duties and they were entitled to prior service credit. Setting a precedent for government contribution toward retirement annuities, federal government will bear added cost of crediting military service.

Protection in Consolidations: General Transportation Act of September, 1940, states specifically that interest of employees must be considered in any consolidation or merger. It provides that employees so affected shall not be placed in a worse position because of consolidation for four years from date of transaction, except that employees who worked for the employer less than four years need not be protected for a period longer than their service. Union efforts to include protection of workers in abandonments as well as consolidations have not as yet been successful.

Employers' Liability: Liberalizing amendments to Federal Employers' Liability Act extended coverage to railroad employees any part of whose duties are connected with interstate commerce. Past U. S. Supreme Court decisions on original law have given varying interpretations as to which employees were engaged in interstate commerce. Another amendment states that employees shall not be held to have assumed risks of their employment where injury or death results in whole or in part from negligence of the company. Previously a worker had to prove in court that an accident was not result of a risk he accepted when he took the job. Also, fines and imprisonment are now provided for anyone who attempts to discipline or intimidate any employee for furnishing information on the death or injury of any other employee. Any contract or rule designed to prevent employees from furnishing such information is voided.

A new amendment to Federal Bankruptcy Act makes injury and death claims the first charge on assets of railroads which are in receivership.

Administrative and Court Decisions: In recent years judicial and administrative agencies have made a number of interpretations of laws favorable to rail workers. Such interpretations establish precedents for a large body of unwritten law which affects railroad labor as greatly as the written statutes.

Thus, the U. S. Supreme Court in December, 1939, for first time acknowledged that welfare of railroad workers was as important to public interest as maintenance of an adequate transportation system, and that consolidations aimed at operating economies must not overlook workers' interests. A unanimous decision upheld right of Interstate Commerce Commission to impose conditions for protection of labor in authorizing railroad consolidations.

Federal District Court at Dallas, Texas, in May, 1940, rendered an important decision when it ruled that tips are not meant to be wages and cannot be so considered in applying provisions of Fair Labor Standards Act. Court granted back wages amounting to \$44,000 to 41 red caps employed by Union Terminal in Dallas and a like sum as liquidated damages. Suit was brought by Brotherhood of Railway Clerks.

In April, 1939, the ICC authorized Chicago, Rock Island & Pacific to lease properties of Chicago, Rock Island & Gulf (operating only in Texas) on condition that displaced workers were protected by a dismissal allowance, payment of expenses to transferred workers covering any losses sustained in selling or leasing homes, and protection for five years of salary of workers whose seniority standing was affected. Conditions were similar to those agreed upon by unions and managements in Washington Job Protection Agreement of May, 1936. Like conditions were imposed in decisions authorizing mergers of other railroads.

Several ICC decisions, however, refused similar protection to workers who were dismissed because of abandonment. In a decision on abandonment of part of Quincy, Omaha & Kansas City and in abandonment of trackage by Pacific Electric Railway Co., the ICC ruled that it had no power to protect workers who lost their jobs as a result of abandonments. Unions had argued that the ICC did possess such power.

First Division of National Railroad Adjustment Board ruled in March, 1939, that an injured railroad employee who takes his case to court cannot be discharged and deprived of his seniority rights. This voided a rule existing on many railroads that institution of any suit or legal proceeding against company would terminate a worker's employment without further notice.

National Mediation Board in August, 1940, upheld the right of Negro employees to vote in a representation election even though they could not become members of organization involved. Employees in question were firemen on a southern railroad who were not eligible for promotion to engineers because of the company's agreement with unions which do not accept Negroes into membership. Court held that excluding the Negro non-promotable men from voting would split an established craft, since the only distinction between promotable and non-promotable men was their color.

In December, 1940, Mediation Board held that furloughed employees are entitled to vote in a representation election. Board stated that all previous findings had allowed voting of employees who had been furloughed for a reasonable time and who had an employee relation status under a labor agreement.

HOUSING LEGISLATION

End of 1940 brought to a close first chapter of public housing in United States. Although Roosevelt Administration had only scratched the surface of the housing problem for low-income families, new con-

struction of low-rent housing with public funds apparently came to an end, at least for duration of war.

Only major activity of federal government in low-rent housing field has been through United States Housing Authority, created in 1937. This agency was authorized to invest \$800 million in local low-rent housing and slum clearance projects. Actually, however, maximum investment of USHA has been limited to \$693 million.

Although the proven need for low-rent housing is vastly in excess of program undertaken by USHA, Congress refused to appropriate additional funds. Total cost to federal Treasury of USHA program is represented by annual subsidy of \$28 million since funds expended for construction will be fully repaid, with interest, over a period of 60 years. Furthermore, the limited federal program for low-rent housing has not been supplemented by widespread state activity. New York, which established a housing fund of \$300 million in 1939, is only state with an independent program.

In three years USHA constructed approximately 110,000 low-rent dwelling units. Upon completion of its program, total may reach about 160,000 units, provided by 483 projects in 198 cities and communities.

USHA program will meet less than 2% of current need for decent housing for workers, made available at rent scales which they can afford to pay. It is estimated by experts of Temporary National Economic Committee that this country needs at least nine million new homes for families with incomes of less than \$1,500 a year. Largest part of these are needed for families with annual incomes of less than \$1,000.

Nation's housing shortage, moreover, is being constantly aggravated by continued deficiency in new residential construction. Throughout decade of the 1930's, home building of all kinds was extremely low. In 1933 and 1934, only 55,000 non-farm dwelling units were constructed, compared with 900,000 in 1925. In 1939, construction had increased only to 465,000 units. In 1940, total was approximately 545,000 units but this level was still almost 50% below annual construction rate of a million units needed for next few years to overcome present deficiency.

War Housing: Establishment of a wartime economy may well interfere with even the present limited rate of residential construction, due to material shortages, rising prices and similar restrictions.

Expansion in war industries will bring about a limited amount of new construction with federal funds to meet acute housing shortages in vicinity of war industry plants. Principal appropriation for this purpose available in early 1941 was \$150 million, which would provide approximately 50,000 new units. This construction, however, was to be carried out without regard to social problem of slums or to needs of workers in permanent peacetime industries. Furthermore, in response to pressure from real estate interests, much of "defense housing" is distinctly sub-standard and unsuitable for long-term use.

Federal Housing Administration: During 1940, President Roosevelt approved an increase in the mortgage-loan insurance authorization of Federal Housing Administration to \$4 billion from \$3 billion. By end of 1940, approximately 635,000 families were financing their homes under FHA plan. Additional authorization would permit financing of approximately 230,000 more homes.

Primary function of FHA is to guarantee banks, insurance companies and other lending institutions against loss on home mortgage loans. Its only direct benefit to home owner is through its limitation of interest rate on mortgages to 4½%.

Most homes financed under FHA plan are too costly to be within reach of workers. In 1940, less than 5% of new homes financed by FHA mortgages were purchased by families with annual incomes of less than \$1,500. FHA does not itself build or lend money; it only insures the banks and other agencies against loss on their mortgages. Cost of this insurance is borne by the home owner who, however, gets no protection as such.

HEALTH LEGISLATION

In February, 1939, Senator Robert F. Wagner introduced in Congress a national health bill which would have granted subsidies to those states developing a sound health program. The measure called for over \$800 million for a ten-year program to provide for federal grants to states for maternity and child health services and services for crippled children, building and improving hospitals and health centers, and medical care for impoverished areas and temporary disability compensation.

In December, 1939, the Roosevelt administration dropped this

program as "too costly." In its place the Wagner-George national hospital bill was introduced in February, 1940. This measure provided for only \$10 million a year for six years for the construction of hospitals in rural areas and \$500,000 a year for maintenance of hospitals until localities were ready to support them.

This inadequate hospital bill would provide only 5,000 additional beds a year, although it has been authoritatively estimated that at least 180,000 new beds are immediately necessary in general hospitals and an additional 180,000 beds in tuberculosis and mental hospitals. The bill passed the Senate, May 30, 1940, but was sidetracked in the House.

The more basic question of health insurance was raised in a bill introduced January, 1939, and in revised form, March, 1940, and January, 1941, by Senator Capper. This bill, sponsored by American Association for Social Security, calls for a federal appropriation of \$50,000,000 for the first year to enable states to furnish medical, cash and maternity benefits under approved plans for compulsory health insurance. It would cover all workers and their families earning \$1,500 annually or less, and all manual workers regardless of income (not including agricultural workers). The insurance fund would be maintained through flat contributions by workers, employers, state and federal governments.

Services under this measure would provide: medical benefits, including general medical care, hospitalization, nursing, surgical and specialist care, laboratory work and clinical care, for worker and family; cash benefits to make up for loss of wages during illness; cash maternity benefits for six weeks before and six weeks after birth of child plus a bonus of \$15 to \$25 if mother does not work during this period. In 76th Congress (1939 and 1940) this measure died in committee.

So far all state proposals for health insurance have been killed in local legislatures. But unions and an increasing number of progressive physicians regard health insurance as a practical and reasonable extension of unemployment insurance.

TAXATION TRENDS

Main Tax Agencies: Three separate and distinct governmental agencies in this country collect taxes: the states, local and political sub-

divisions, and the federal government. The local governments are the city, town, county, village, township, school district and tens of thousands of other local tax jurisdictions, some 175,000 in all. Normally state and local taxes account for about two-thirds of all taxes collected, while the federal government collects only about one-third. In the quarter century ending in 1940, the average federal share of the total was about 36%; in 1939 and 1940, about 40%.

Latest official and complete information on amount and kind of taxes collected by each of the three major tax jurisdictions is for 1938. This gives us the share of each that was borne by the people as a whole (farmers, workers and consumers generally) as distinct from the wealthy.

For 1939 and 1940, we have this information only for state and federal but not for local tax jurisdictions. In 1938 the federal government collected 41%, the states 26% and all the local tax jurisdictions 33% of the total.

Local Taxes Hit Consumers: Local tax collections in 1938 amounted to \$4,920 million, and all of this stupendous sum directly or indirectly came in the form of a tax on consumers. Ninety-two per cent came from property taxes which for the most part, constitute a tax on the farmer's home and land and on town or city wage earners' homes. Urban tenants pay it in their rent, consumers in general pay it in the price of food, light and clothing. Property taxes paid on factories, power houses, shops and stores are passed on in the prices charged for the things manufactured in factories, sold in stores and in gas and electric bills. The other 8% of local taxes are out-and-out sales taxes, whether hidden, such as store license taxes, or open, as for example, the 2% sales tax in New York City. And consumption taxes always fall most heavily on the lower income groups.

State Taxes on Consumption: State taxes in 1938 amounted to \$3,857 million. Only a little over 10% of this sum came from personal income taxes or from taxes on estates, inheritance and gifts. Only this fraction may be said to have come from taxes on income above the basic family needs of the people. The other 90%, like local taxes, fell mostly on consumption. Over 30% of the total came from gasoline taxes and motor vehicle registration fees; 18.6% came from direct sales taxes and excises; 7.7% from liquor and tobacco taxes; 5.5% from the familiar property tax, and 1.3%

from miscellaneous tax revenues. Thus nearly two-thirds of the state taxes were open consumption taxes. Even gasoline taxes bear more heavily on the owner of a "jalopy" than on the owner of a Cadillac. And when paid by bus and truck companies, this tax is passed on to consumers in bus fares and truck freight charges.

The masses also paid 18.3% of state taxes in the form of payroll taxes, for old-age security and unemployment insurance. Directly or indirectly, the payroll tax comes out of the pay envelopes of wage earners. For old-age security workers are taxed directly. In the case of the employer contribution for unemployment insurance the tax is passed on in the price of the product as are all other business taxes.

The remaining 8.1% of total state taxes are collected on "corporate income and privilege." Most of these are treated by corporations as business taxes and included in prices charged to consumers. In the case of public utilities, such as railroads, street car, gas and electric companies, the courts have specifically ruled that their corporate income tax may be included in the rates. And monopolistic corporations in other fields in effect pass on income taxes in the same manner.

In 1938, then, out of a combined load of nearly \$8.8 billion state and local taxes, less than the \$800 million may be said to have been a direct burden to wealth. Consumers paid the major share of the \$8 billion. Consumption taxes have always made up over 90% of state and local tax revenues.

Federal Taxes: In 1938 federal tax collections amounted to \$6,034 million. Of that sum, \$2,933 million or 49.5% were from consumption taxes. Nearly \$2.5 billion were from indirect sales taxes, called "manufacturers excise taxes": tobacco, cigarette and beer taxes; dealers' and peddlers' licenses; gasoline taxes; taxes on theater and movie tickets—some 4,000 varied sales, license and excise taxes. All combined to increase the cost of living of the people. Tariffs took \$359 million of the people's money in 1938, and the capital stock tax, a business tax which corporations promptly add to the "cost of manufacture" and hence to the price of things they sell, took \$139 million.

The other 50% of the federal tax of that year presumably came from taxes on wealth: \$1,293 million from personal income taxes; \$1,337 million from corporate income taxes, and \$417 million from

estate and gift taxes. Only the last sum may be said to come fully from the wealthiest section of the population. A large part of the corporation income tax, as already noted, and especially in the case of large monopolistic companies, is passed on to consumers in higher prices like any other business tax, and an increasing share of the individual income tax has in recent years been placed on lower incomes. In 1934, 15.2% of the individual federal income tax came from incomes of less than \$10,000, and 35.2% from incomes of \$100,000 and over. By 1938, 18.8% of the total came from those in the under \$10,000 bracket, and 32.1% from the \$100,000 and over bracket.

When Roosevelt became President in 1933, federal consumption taxes amounted to 57.9% of total federal tax revenue and non-consumption taxes to 42.1%. A year later the percentages had become respectively 68.4% and 31.6%.

The only major step taken since 1935 to correct this evil has been the raising of surtax rates on high income brackets. Nothing was done to make it impossible for people with high incomes to escape surtax rates by investing in tax-exempt securities. There has been no federal inheritance tax enacted to get at accumulated wealth. The estate tax is but a minor tax measure, both as a source of federal revenue and as a tax on wealth. A tax on undivided corporate profits enacted in 1936 was reduced to a small fraction in 1938 and abolished altogether in 1939.

Meanwhile taxes on consumption have been increased out of proportion to the increase in consumer purchasing power during the limited recovery since 1933. Out of seriously reduced household budgets a greater percentage has gone to taxation during the crisis and depression period than at any time since the last war. For instance, during the five years 1934-1938, the federal government spent not quite \$15 billion on "Recovery and Relief," to "put purchasing power in the hands of the people." During the same period it took \$12 billion from the people in consumption taxes, in effect making the poor support the poorer. And this was in addition to the \$33 billion in consumption taxes collected in state and local jurisdictions during the same five years. During those five years, nearly 80% of the \$56.5 billion combined federal, state and local taxes were consumer taxes.

Trend to Consumer Taxes: The shift toward consumption taxes has continued. In 1938 federal consumption taxes amounted to less than 50% of the total. But in 1939 they amounted to nearly 54% of the total and in 1940 to over 58%.

State consumption taxes in 1939 and 1940 remained about the same proportion of total state taxes as in 1938. However, direct sales taxes increased in the states. In 1938 the general sales tax together with taxes on gasoline, tobacco, liquor and the like, amounted to \$1,370 million in all the states; in 1939 these taxes had risen to a total of \$1,486 million and by 1940 they had reached a total of \$1,626 million.

Defense Taxes: With the inauguration of the vast armaments program, the relative as well as the absolute tax burden on consumers and lower income brackets was increased still further. The First Revenue Act of 1940, approved in June, raised the rates of nearly all existing manufacturers' excises or sales taxes, which means an increase in the cost of living of the ultimate consumer.

This act also "broadened" the personal income tax base. It imposed an income tax on over two million persons with small incomes—as low as \$2,000 a year for heads of families and \$800 a year for single persons.

The Second Revenue Act of 1940 which became a law in October was supposedly passed in response to a statement by Roosevelt on July 1, asking for a "steeply graduated excess profits tax to be applied to all individuals and corporate organizations without discrimination." But these were merely words to make palatable concessions to the shipbuilding and airplane companies under which the 7-8% restrictions on profits under the Vinson-Trammel Act were lifted in return for a general "excess profits tax" section embodied in this revenue act. The new tax applied to all companies with profits in excess of \$5,000 plus any amount of profits in excess of an optional measure of "normal" earnings.

The act permits companies to reckon their "excess profits" as those in excess of 95% of profits reported in a previous four-year base period (1936 through 1939), or as any above 8% on their "invested capital," whichever gives them the lowest tax liability.

Companies using the capital investment basis for figuring tax liabilities for "excess profits" are permitted to inflate their investment base by including in it 50% of their funded debt, mortgages,

notes and other obligations not ordinarily considered invested capital. The interest they pay on these obligations they can treat as an operating expense which they take out before figuring net profits on which the tax falls. Under this Act they may include 50% of this interest as a deductible item.

Amortization section of the act permits companies that build new plant or install new equipment for defense work to pay the costs out of profits in five years. This clause eliminates all risk for the companies and means that the government in effect pays for this new plant or equipment out of other people's money.

It is estimated that this Act, because of its many loopholes and complexities, will raise very little revenue and that it will spare particularly certain corporations with well-watered stocks and whose profits will be tremendous in the armaments building boom. Because of the small revenues expected from this Act other measures were under contemplation as the year 1941 opened.

TRADE UNION TRENDS

INCREASE IN COLLECTIVE BARGAINING

NUMBER OF TRADE union agreements has increased markedly in recent years. A study by National Industrial Conference Board, employers' research agency, covering 2,700 companies with nearly 5 million employees, finds that:

Perhaps the most significant change from 1935 to 1939 is the marked increase in the extent of collective dealing. In 1935 trade union agreements were reported by 11.7% of reporting companies, while in 1939, 56.8% of the 2,700 companies were dealing with nationally affiliated or independent labor organizations. In 43.4% of the companies there were signed union agreements.

Here are some features of the union agreements of this group of companies.

Union contracts covering salaried employees were in force in 257, or 9.5% of the companies. In nearly a third of the establishments seniority regulations were incorporated in union agreements. The closed shop was in effect in 10.9% of the companies, the check-off in 4.7%, and preferential employment arrangements, which give the union the first opportunity to provide applicants to fill vacancies, in 6.4%. (*Management Record*, March, 1940.)

Extent of union contracts between employers and labor unions was shown also in a study by U. S. Department of Labor. (*Monthly Labor Review*, March, 1939.) It classified the various industries, and in a few cases occupations, on the basis of the proportion of workers covered by agreements. It found that ten industries were almost entirely under written agreements, 19 had a large proportion of the workers under such agreements, while 11 had about half so covered. In 27 a moderate proportion were covered by written agree-

ments, while 18 were almost entirely without them. (Names of the industries covered under each heading are given in Labor Research Association's *Trade Union Facts*, p. 11 ff.)

AMERICAN FEDERATION OF LABOR

Fifty-Eighth Convention, 1938

This convention of the AFL met at Houston, Texas, October 3-13, 1938. President Roosevelt, sending greetings to the convention, expressed hope that it would "leave open every possible door of access to peace and progress in the affairs of organized labor in the United States." Pres. Daniel J. Tobin of the Teamsters, supported by Pres. Edward Flore of the Hotel & Restaurant Employees, and others, made a vigorous effort to bring about an early resumption of negotiations with the CIO. Convention, however, authorized the executive council "to continue to carry on the battle [against the CIO—Ed.] and at the same time stand ready to respond to any genuine appeal for peace or any honorable and sincere opportunity to reunite the labor movement."

Rival Unions: Convention urged that Progressive Mine Workers of America, which had been chartered by AFL in 1938, should be given every assistance against United Mine Workers of America (CIO). Steps were taken also toward giving a charter to Seafarers International Union of North America to fight the well-established National Maritime Union (CIO).

Labor's Non-Partisan League: The adopted report of the resolutions committee charged that Labor's Non-Partisan League "is as dual to the non-partisan policy of the AFL as the CIO is dual to our movement." Debating the question George Meany (present secretary of the AFL) attacked the League and its New York State branch, the American Labor Party. He said: "A labor party such as we see it in New York State is a class party, and there is no room in America for a party founded on class or caste lines."

Criticism of New Deal: Attempt by the resolutions committee, led by its chairman Matthew Woll and secretary John P. Frey, to brand the New Deal as socialistic and an undue extension of "State authority" was defeated. Their "Report on Present-Day Trends and Tendencies" said "there are all too many reports of bias

and hostility to business per se." It attacked the newly created government committee to investigate monopoly (Temporary National Economic Committee) as a phase of the "growing incubus of bureaucracy." Report was referred back to executive council for "thorough consideration and analysis."

National Labor Relations Act: A nine-point program for amending the NLRA was passed, favoring drastic curtailment of the powers of the NLRB and a change in its personnel. The resolution contended that the Board "is biased and prejudiced against the American Federation of Labor and its affiliates," and that delays are often "to further the interests of the CIO."

Foreign Policy: While rejecting support to the O'Connell Peace Act (see *Labor Fact Book IV*, p. 216) to make effective the policy of "quarantining the war-makers" as the cornerstone of world peace, resolution on foreign policy continued boycott against Germany and Japan and expressed belief that "the labor movements of the democracies should work in harmony for the protection of and the relief of the helpless refugees from the barbarism of the race-hating policies of the dictator states of Europe."

Hours: A strong demand was made for application of the 30-hour week as part of the Federation's fundamental position. It strongly reaffirmed "its endorsement of the 5-day week and the 6-hour work day without any reduction in hourly, daily or weekly pay," and declared this purpose was "the paramount objective of this convention."

Aid to Railroad Workers: Convention declared its full support to the railroad brotherhoods in their fight to prevent a 15% wage cut. A telegram sent to Chairman George M. Harrison of Railway Labor Executives Assn. said: "We will support you to the full extent of our resources in the event you are compelled to engage in a strike against any attempt which may be made to force the railroad workers of the nation to accept any reduction in wages."

Other Actions: Convention also—

Approved the reorganization of the Pan-American Federation of Labor, partly on the ground that "the poison of Communism has made headway in Latin America."

Voted to liberalize the Public Contracts Act to include a larger number of workers, and to apply also to purchases by state governments.

Reaffirmed its belief in Tom Mooney's innocence and called on State of Alabama to release remaining Scottsboro boys.

Expressed unqualified condemnation of lynching and denounced the southern filibuster in the U. S. Senate to prevent the passage of the anti-lynching bill.

Fifty-Ninth Convention, 1939

This convention of the AFL met at Cincinnati, Ohio, October 3-13, 1939. Report of executive council was adopted which said: "We favor our nation offering our mediation services for peace, and hope that warring countries may be prevailed upon to accept them. But with that we refuse to go farther. As for our own country we demand that it stay out of the European conflict, maintaining neutrality in spirit and act."

Report declared further that "there should be no extension of credit that would give this country a stake in the outcome of the war; that all belligerents buying in our markets must accept title and carry in other than United States ships, and that our citizens and ships be restrained from traveling in war zones."

At the same time the convention lauded the Trades and Labor Congress of Canada, made up of AFL unions in that country, for supporting the Allied war against Germany. Referring to Canadian members of AFL who joined the army it said: "As these loyal trade unionists go forth to battle in behalf of a more civilized world order, we, the American members of our great Federation, would want them to know of our fraternal good wishes."

International Boycotts: Convention favored "the continuation of the boycott against Japanese manufactured goods and services, so long as Japan persists in the prosecution of a war against China and the Chinese people." It reaffirmed also its previous boycott against German goods and German services and "for the same reasons" applied the boycott also "to all Russian manufactured goods and services," thus putting the Soviet Union in the same class as Germany and referring to her as a "totalitarian" government.

Red-Baiting: An anti-Communist ban was passed which instructed all national and international unions "to refrain from taking into membership any known member of the Communist Party, or active sympathizer."

Acting on this resolution, President Green later sent a letter to

officers of unions, state federations and city central bodies demanding that they "immediately dissociate members of the Communist Party and Communist sympathizers from membership in American Federation of Labor unions."

Same resolution called "for the immediate dismissal" of Communists and Communist sympathizers from government employment, that is, from what the resolution described as "important administrative posts in National and State Government."

Dies Committee: Executive council, it was stated by the resolutions committee, "gave every assistance possible to securing a continuation of the Dies Committee, with a sufficient appropriation to more adequately enable it to continue its work." Support of the Dies Committee was voted.

Following this action the *Weekly News Service*, federation's clip sheet, played up the speeches of Martin Dies especially those attacking the CIO. When the Dies committee was seeking an additional appropriation of \$75,000 for continuation of its work in January, 1940, President Green, sent a letter to members of the House and Senate saying:

I am officially requesting that you support such proposal as may be submitted to Congress, providing for the continuation of the Dies Committee and of an appropriation sufficient to enable it to carry on its investigations.... The Dies Committee is rendering a great public service. It should be continued until its investigation is completed.

Unity with CIO: An appeal from President Roosevelt, urging AFL-CIO unity, was answered with a resolution approving executive council's statement that the special committee appointed by AFL to confer with CIO "still stands clothed with authority to function, ready to resume negotiations when it is accorded an opportunity to do so." Report to the convention placed the entire blame for the failure of previous negotiations on CIO.

New Deal: In general, criticism of the Roosevelt "New Deal" government was much milder than at previous convention. Resolution that convention "give its full support to the 'New Deal' and to President Roosevelt" was defeated. Adopted report of the resolutions committee said that

The hearty support which the trade union movement has given to a large number of "New Deal" measures should not lead this convention

to give its blanket endorsement of all legislation which has been proposed or enacted by the so-called "New Deal," neither should our opposition to certain "New Deal" legislative and administrative acts permit us to voice condemnation of the "New Deal."

Negro Workers: Convention passed several progressive resolutions relating to Negroes. One called on affiliates to consider revision of constitutional bars to Negro membership. Others supported the federal anti-lynching bill and declared opposition to poll taxes and white primaries disfranchising Negroes in the South.

Main resolution called upon "the conventions of national and international unions whose constitutions have color clauses and that practice discrimination against Negro workers, to create a committee to report on the question of the color bar and various forms of race discrimination to their next convention...."

Special Assessment: Convention voted to continue special monthly assessment of one cent a member to finance fight on CIO. For continued refusal to pay this assessment the International Typographical Union was suspended. Its delegates were refused seats and were not admitted to the convention. Later, in January, 1940, AFL executive council ordered all state federations and city central bodies to drop ITU locals.

Other Actions: The convention also—

Called for continued efforts to amend the NLRA and again attacked the NLRB urging a 5-man instead of a 3-man Board to administer the Act. John P. Burke, president of the Pulp, Sulphite & Paper Mill Workers, led opposition to amending the Act.

Opposed Industrial Mobilization Plan of U. S. army and navy on the ground that it implies the taking over by an appointed board, with no labor representation, of those activities "which hitherto have been the province of trade unions, and as a consequence our organizations will be stripped of their function and so destroyed."

Adopted an amendment to the AFL constitution giving greater power to executive council to expel officials of central labor unions.

Supported restoration of prevailing wages on WPA and broadening of Social Security Act to include farm workers.

In the 1940 Campaign

In accordance with its traditional "non-partisan policy" the AFL in presidential campaign of 1940 endorsed no candidate or party. It reiterated its traditional position against any form of third party

that might reflect the wishes of labor in the political arena. Most AFL leaders supported Roosevelt, however, and Daniel J. Tobin, President of the Teamsters, was again in charge of the labor bureau of the Democratic National Committee. President William Hutcheson of the Carpenters was the most outstanding AFL Willkie supporter.

Executive council of federation published a pamphlet giving the labor records of candidates. It urged AFL membership to elect its friends and defeat its enemies and gave specific endorsement of candidates in congressional, senatorial and other contests.

William Green appeared before the resolutions committee of the Republican Party in Philadelphia, June 19, to submit a 27-point program. Among other things he called for representation of labor in the administration and formulation of national defense measures, expansion and perfection of the present social security program, ratification by the states of the child labor amendment, and appointment of a union representative as Secretary of Labor. (Full summary of these proposals was contained in AFL's *Weekly News Service*, June 18, 1940.) Similar representations were later made to Democratic Party at its convention in Chicago.

After presidential election William Green declared November 6, 1940, that labor had proved to be the deciding factor. He said that "Working men and women voted for the re-election of the president because they believe he is their friend and the champion of social justice and economic freedom."

Labor Officials in Defense Posts

When President Roosevelt appointed Sidney Hillman, vice president of CIO and President of Amalgamated Clothing Workers of America to the National Defense Advisory Commission in May, 1940, this action was criticized by Matthew Woll, and other AFL officials. But President Roosevelt was quick to give AFL its due share of posts in the defense set-up. At the end of June he appointed Daniel J. Tobin, President of the Teamsters, to serve as one of his confidential administrative assistants in the White House, his job being to act as liaison officer between Roosevelt and all AFL unions engaged in national defense program. (In early September Tobin resigned this position to take charge of the labor bureau of the Democratic National Committee.)

On July 2, 1940, seven officials of AFL unions, seven of the CIO, and two from the railroad brotherhoods were chosen by Hillman to serve on a Labor Policy Advisory Committee under the National Defense Advisory Commission. The Committee, which was appointed without any action by CIO or AFL, included the following:

Harry C. Bates, President, Bricklayers, Masons and Plasterers International Union of America.

Van A. Bittner, United Mine Workers of America.

H. W. Brown, International President, International Association of Machinists.

John P. Coyne, President, Building and Construction Trades Dept., AFL.

S. H. Dalrymple, President, United Rubber Workers.

Clinton Golden, Regional Director, Northeastern Region, Steel Workers Organizing Committee.

Allan S. Haywood, Congress of Industrial Organizations.

Samuel J. Hogan, President, National Marine Engineers Beneficial Assn.

George W. Laughlin, First Assistant Grand Chief, Bro. of Locomotive Engineers, Cleveland, representing A. Johnston, Grand Chief.

George Q. Lynch, General President, Pattern Makers League of North America.

A. E. Lyon, Grand President, Brotherhood of Railway Signalmen of America.

Charles J. MacGowan, Vice-President, International Brotherhood of Boilermakers, Iron Shipbuilders, Welders and Helpers of America.

George Masterton, General President, United Association of Journey-men Plumbers and Steamfitters.

Emil Rieve, President, Textile Workers Union of America.

R. J. Thomas, President, United Automobile Workers of America.

D. W. Tracy, President, International Brotherhood of Electrical Workers.

About the same time J. D. Keenan, secretary of the Chicago Federation of Labor, was appointed to serve as liaison officer between the National Defense Advisory Commission and the AFL, and Dan W. Tracy, president of International Brotherhood of Electrical Workers (AFL), was appointed Second Assistant Secretary of Labor by President Roosevelt.

Sixtieth Convention, 1940

Sixtieth convention of AFL which met at New Orleans, November 18-20, 1940, was attended by 537 delegates representing 91

national and international unions, four departments, 36 state bodies, 119 central labor unions and 75 local trade and federal labor unions.

Executive council reported that membership at end of August, 1940, was 4,247,443, highest in AFL history, an increase of 241,089 over a year before. This total for 1940 included 208,501 members in 1,416 local trade and federal labor unions.

During year ending August 31, 1940, 327 charters were issued, two of them to international unions, the Cement, Lime and Gypsum Workers and the Circus, Carnival, Fairs and Rodeo Union. International Ladies Garment Workers Union had been reinstated, International Typographical Union had been suspended, and charter of International Brotherhood of Foundry Employees had been revoked.

Benefits: Executive council reported that 1,264,428 federation members had achieved the five-day week; 1,085,901 had gained a 40-hour week, and 759,845 had annual vacations with pay.

For 1939, 67 national and international unions reported paying around \$13,500,000 to their members in out-of-work, disability, pensions, death and miscellaneous benefits. This total does not include benefits paid by certain local unions and federal labor unions.

Various benefits included in the total above were as follows: death, \$7,149,474; sickness, \$1,392,444; unemployment, \$1,815,783; old age, \$1,674,678; disability, \$878,824; miscellaneous, \$592,726.

Racketeering: Compromise resolution was passed deploring racketeering in affiliated unions and recommending that unions revise their constitutions where necessary "for adequate disciplinary action against any of their officers and/or members who may have been found guilty of betraying the trust reposed in them, or of having used their official position for personal and illegal gain, who have been or may be convicted of such acts which cast discredit upon the labor movement." Resolution did not include the proposal to give executive council power to remove racketeers. However, whenever executive council has reason to believe that a trade union official is guilty of wrong-doing, "and the national or international union in question seemingly evades its responsibility, the executive council shall be authorized to apply all of its influence to secure such action as will correct the situation."

Resolution was passed proposing that all federal locals transfer their craft members to the appropriate craft unions "at the earliest moment possible." Opposition to this resolution came from repre-

sentatives of several federal locals who contended they would be weakened by such a distribution of their members among a host of craft unions.

Rights of Central Bodies: Convention recommended that central labor bodies refuse to recognize or receive communications or requests from unions not affiliated with the federation. This would of course bar all communications for local united action from CIO or independent unions.

Suspensions: Voted that a national or international union can be suspended from AFL only by a majority vote of a federation convention. This resolution, however, gave special power to executive council to suspend unions when two or more of them "unite and conspire to create and launch an organization for any purpose dual to the American Federation of Labor."

Per Capita Tax: Regular per capita tax was increased to 2¢ a month from members of national and international unions, and to 36¢ a month from members of local trade and federal labor unions. Increase of 1¢ a month took the place of the discontinued 1¢ a month special assessment passed in 1937 which a number of AFL unions considered a "war chest" to fight CIO.

Jurisdictional Disputes: Twenty-one resolutions were introduced dealing with jurisdictional disputes between various AFL unions. Convention defeated a resolution which would have required the next convention to elect a commission of nine members to study the whole problem of jurisdictional quarrels and present a peace formula to following convention.

Anti-Trust Laws: Prosecutions of AFL unions under anti-trust laws by Thurman Arnold, Assistant Attorney General, were denounced as "the most vicious attack" ever made upon the union movement. Resolution said that "We must demand from those occupying higher positions than the person in charge of the Anti-Trust Division that they curb these unwarranted and destructive anti-trust activities against organized labor."

War Program: In a letter to the convention President Roosevelt warned that the present period "demands intense and sustained co-operation," and suggested that labor "can make its contribution along with the rest of the American people" by "maintaining sound and uninterrupted work in the defense industries," and said that "Sacrifices may be necessary in the future for everyone." He urged

also a "patriotic effort to bring about a just and an honorable peace within the now divided labor movement."

President Green's reply, read to the convention but not submitted for a vote of the delegates, told the President: "Be assured of the full support of the membership of the American Federation of Labor in the execution of the government's defense plan and policies."

Executive council's report, adopted by convention, pledged full support to Roosevelt war preparations program. Looking forward to the time when "the defense program shifts into war conditions," the report urged that "Labor should have representation on all policy-making and administrative agencies and draft boards," and that "Labor standards and other provisions for social welfare must be maintained under emergency conditions as essential to efficient production as well as national morale."

Aid to Britain: After Secretary of War Henry L. Stimson had called for "sacrifices" from labor and Sir Walter Citrine, general secretary of the British Trades Union Congress, had asked for help to British Empire, convention declared for "extension of all help and assistance possible to Great Britain in her hour of need, on the part of our Government, short of war itself." William Green also pledged aid of the AFL to Canada if that country were invaded.

Conscription: Peacetime conscription covering a five-year period was approved but the hope was expressed that it would not be needed after that time. Executive council had previously ordered that members of local trade and federal labor unions directly affiliated to AFL, who enter military service, should be protected as to their union standing, and national and international unions were asked to give consideration to the question.

Negro Issues: Federal locals of railroad station porters (Red Caps) and freight handlers, made up of Negroes, were ordered transferred to Railway Clerks. Red Cap delegates charged on the floor that Clerks' constitution denies both vote and representation of Negroes and that latter would be put in Jim Crow auxiliaries.

Convention replaced a resolution calling for appointment of an interracial committee to investigate Jim Crowism in AFL unions with a mere request to national and international unions to give consideration "to policies which will assist to eliminate any tendency to discriminate against workmen because of race, color or creed."

Some Other Resolutions: Convention also declared against the poll tax and child labor; protested against government rulings weakening the Fair Labor Standards Act; demanded that Congress forbid issuance of national defense contracts to violators of federal labor laws; demanded extension of social security laws both as to coverage and amount of benefits paid; asked for continuation of the public low cost housing program and further health legislation; demanded amendment to National Labor Relations Act to benefit craft as against industrial unions; favored enactment of federal legislation against lynching; reaffirmed the boycott of Japanese and German goods; urged extension of union-management co-operation; asked for barring of the Communist Party from the ballot; supported the 30-hour week goal in industry, and opposed any lengthening of hours while nine million are still jobless; urged extension of public education and labor representation on educational boards.

Of 178 resolutions originally introduced the largest group—36—dealt with problems of workers in government service; 19 dealt with defense problems and 21, as noted, concerned jurisdictional disputes.

Committee previously appointed to carry on "peace negotiations" with the CIO was continued.

Present officers were elected: William Green, president; William L. Hutcheson, T. A. Rickert, Matthew Woll, Joseph N. Weber, G. M. Bugniazet, George M. Harrison, Daniel J. Tobin, Harry C. Bates, Edward J. Gainor, W. D. Mahon, Felix H. Knight, George E. Brown, Edward Flore, Harvey W. Brown, W. C. Birthright, vice presidents; and George Meany, secretary-treasurer.

Membership: Detailed figures on membership of individual unions are given annually in the *AFL Proceedings*. Figures prior to 1938 have been published in previous *Labor Fact Books*.

Figures for the last three years are given below (for 105 unions reporting in 1940), the table showing the average membership upon which dues were paid to AFL for the fiscal year ended August 31.

MEMBERSHIP OF NATIONAL AND INTERNATIONAL UNIONS AFFILIATED WITH
AMERICAN FEDERATION OF LABOR

	1938	1939	1940
Actors, Associated, & Artists of A....	17,600	20,000	14,600
Asbestos Workers' Intl. Assn.	3,500	4,000	4,000
Automobile Workers of America	"	4,200	19,100
Bakery & Confectionary Workers	62,100	73,000	81,100
Barbers' International Union	46,500	47,500	49,000
Bill Posters	1,600	1,800	2,900
Blacksmiths, Intl. Brotherhood of	5,000	5,000	5,000
Boilermakers & Iron Shipbuilders	28,000	29,000	33,200
Boot & Shoe Workers' Union	30,800	30,800	30,800

MEMBERSHIP OF NATIONAL AND INTERNATIONAL UNIONS AFFILIATED WITH
AMERICAN FEDERATION OF LABOR—Continued

	1938	1939	1940
Bookbinders, Intl. Brotherhood of	17,400	17,700	18,700
Brewery Workmen, International Union	42,000	42,000	42,000
Brick & Clay Workers	5,000	10,000	10,000
Bricklayers, Masons & Plasterers	65,000	65,000	65,000
Bridge & Struc. Iron Wkrs., Intl. Asso.	41,300	39,500	41,300
Broom & Whisk Makers Union, Intl. ..	300	300	300
Building Service Employees' Intl Union	65,800	70,000	70,000
Carpenters & Joiners, United Bro. of...	300,000	300,000	300,000
Carmen of A., Bro. Railway	65,000	65,000	65,000
Carvers' Union, International Wood ...	400	400	300
Cigarmakers' International Union	7,000	7,000	7,000
Cleaning & Dye House Wkrs.	15,900	16,400	16,400
Clerks, Intl. Protective Assn., Retail..	46,700	65,300	73,700
Clerks, Bro. of Railway	91,000	91,000	97,000
Clerks, Post Office, Nat'l Federation of	38,000	40,000	40,000
Cement, Lime & Gypsum Wkrs. ....	.....	.....	13,200
Circus, Carnival, Fairs & Rodeo Union	.....	.....	300
Conductors, Order of Sleeping Car....	1,400	1,400	1,400
Coopers' International Union	3,600	4,100	4,200
Diamond Workers' Protective Union...	300	300	300
Draftsmen's Union, Int'l	1,800	1,900	1,900
Electrical Workers, International Bro...	175,000	200,300	209,700
Elevator Constructors	10,200	10,200	10,200
Engineers, Int'l Union of Operating....	42,000	70,800	80,000
Engravers, Int'l Union, Metal	200	300	300
Engravers' Union of N. A., Int'l Photo	10,200	10,400	10,500
Fire Fighters, Int'l Assn. of	30,000	30,700	38,900
Firemen & Oilers, Int'l Bro. of	25,400	26,800	31,200
Foundry Employees, Int'l Bro. of.....	3,500	3,500	
Garment Workers of America, United..	40,000	40,000	40,000
Garment Workers, Int'l Ladies	"	"	37,500 *
Glass Cutters League of A., Window...	1,200	1,200	800
Glass Bottle Blowers' Assn.	20,000	20,000	20,000
Glass Workers, American Flint	17,900	17,800	18,600
Glove Workers	700	900	1,600
Government Employees, Am. Fed. of..	21,200	22,600	22,300
Granite Cutters' Int'l Assn. of A.....	5,000	5,000	5,000
Hatters, Cap & Millinery Wkrs. Int'l U.	22,500	30,000	32,000
Hodcarriers & Common Laborers	147,700	154,400	161,900
Horseshoers of U. S. & Canada	200	200	200
Hotel & Restaurant Employees, etc....	175,900	184,800	202,500
Jewelry Workers Int'l	4,500	4,000	4,500

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	1938	1939	1940
Lathers, Int'l Union of W. W. & Metal	8,100	8,100	8,100
Laundry Workers, Int'l Union	19,400	29,200	40,000
Leather Workers' Intl Union, United...	2,500	2,500	2,500
Letter Carriers, National Assn. of	60,000	60,000	60,000
Letter Carriers, Nat'l Fed. of Rural....	600	600	500
Lithographers' Int'l P. & B. Assn.....	11,200	12,300	12,400
Longshoremen's Assn., Int'l	62,400	66,300	61,100
Machinists, Int'l Assn. of	190,100	190,000	190,100
Maintenance of Way Employees	52,300	57,600	63,300
Marble Polishers, etc., Int'l Assn. of ..	5,500	5,500	5,500
Masters, Mates & Pilots	3,000	3,000	3,000
Master Mechanics & Foremen of Navy Yards & Naval Stations, Nat'l Assn. of	100	100	200
Messengers, Special Delivery, Nat'l Assn.	1,100	900	900
Meat Cutters & Butcher Workmen	52,100	62,900	70,900
Metal Workers' Int'l Assn., Sheet	19,800	20,000	20,000
Mine Workers of A., Int'l Progressive..	35,000	35,000	35,000
Molders Union of North America, Int'l	27,700	23,300	30,400
Musicians, American Federation of	100,000	100,000	100,000
Painters of America, Bro. of	99,400	100,200	100,200
Papermakers, United Brotherhood of..	16,300	20,600	24,300
Patternmakers' League of N. A.	6,800	7,000	7,400
Pilots Assn., Air Line, Int'l	1,000	1,000	1,000
Plasterers' Int'l Assn.	19,100	19,400	19,100
Plumbers, Steamfitters, etc.	37,700	40,000	40,000
Polishers, Int'l Union of Metal	7,000	7,000	7,000
Porters, Bro. of Sleeping Car	6,000	6,000	6,600
Pocketbook & Novelty Wkrs.	10,000	10,000	10,000
Post Office & Railway Mail Laborers..	1,200	1,500	1,500
Potters, Nat'l Bro. of Operative	12,000	13,000	14,000
Powder & High Explosive Workers	200	200	100
Printing Pressmen, Int'l	37,200	39,600	43,700
Printers', Die Stampers' & Engravers..	900	900	700
Pulp, Sulphite & Paper Mill Wkrs.	30,000	32,200	40,000
Railway Employees' Amal., S. & E.	79,000	79,700	80,000
Railway Mail Assn.	21,700	21,700	22,100
Roofers, Damp & Waterproof Wkrs...	4,000	4,000	4,000
Seafarers Int'l Union of N. A. ^c	2,200	11,000	18,700
Sheep Shearers Union of N. A.	800	700	600
Siderographers, Int'l Assn. of	100	100	100
State, County & Municipal Employees..	20,000	25,700	29,700
Spinners Union, Int'l	500	500	500
Stage Employees, Int'l Alliance Theat...	27,800	42,000	42,000
Stereotypers & Electrotypers	8,700	8,300	8,300
Stonemasons' Assn., Journeymen	4,200	4,100	4,100
Stove Mounters' Int'l Union	3,600	4,200	4,900

MEMBERSHIP OF NATIONAL AND INTERNATIONAL UNIONS AFFILIATED WITH
AMERICAN FEDERATION OF LABOR—Continued

	1938	1939	1940
Switchmen's Union of N. A.	8,300	7,800	8,100
Teachers, American Fed. of	22,100	25,600	30,000
Teamsters, Chauffeurs, etc., Int'l Bro.	309,200	350,000	393,700
Telegraphers, Commercial	2,900	3,500	3,500
Telegraphers, Order of Railroad	35,000	35,000	35,000
Textile Workers of America, United ...	"	"	3,600
Tobacco Workers Int'l Union of A.	14,300	14,700	18,000
Typographical Union, Internat'l	79,400	79,200	"
Upholsterers', Internat'l Union of	11,000	11,000	14,800
United Wall Paper Crafts of N. A.	3,000	3,100	3,100
Wire Weavers' Protective, American ...	300	300	300

* Suspended. * Reinstated. ° Title changed from Int'l Seamen's Union of America. ° Charter revoked. ° Claims 250,000 members, but evidently paid only on 37,500 in 1940.

Of the 100 unions reporting on dues payments to AFL in both 1938 and 1940 above table indicates that 54 showed gains in membership in this period, 34 remained stationary and 12 showed a decrease.

Figures indicate that in this period the Teamsters gained the most members followed in turn by the Electrical Workers, Laundry Workers, Clerks, Hotel and Restaurant Employees, Bakery and Confectionery Workers, and Meat Cutters.

CONGRESS OF INDUSTRIAL ORGANIZATIONS ¹

First Constitutional Convention, 1938

Committee for Industrial Organization became the Congress of Industrial Organizations at its first constitutional convention held in Pittsburgh, Pa., November 14-18, 1938. It was attended by 476 delegates. Constitution adopted at this convention was referred to by Chairman John L. Lewis as a "simple" and "democratic" one. Main object as expressed in the constitution was "To bring about the effective organization of the working men and women of America regardless of race, creed, color or nationality, and to unite them for common

¹ For CIO story up to fall of 1938 see *Labor Fact Book IV*, Ch. VII.

action into labor unions for their mutual aid and protection." One important provision adopted is that no national affiliate can be expelled without two-thirds vote of the annual convention.

Officers elected were John L. Lewis (Mine Workers), president; Philip Murray (Mine Workers), and Sidney Hillman (Amalgamated Clothing Workers), vice-presidents; James B. Carey (United Electrical, Radio and Machine Workers) secretary. An executive board, made up of these four officers and a representative of each national affiliate, was named.

Membership: The 42 national and international unions and organizing committees and 675 directly-chartered local industrial unions, comprising the CIO in October, 1938, reported a total membership of 4,037,877. (This included 250,000 in the International Ladies Garment Workers Union which withdrew from the CIO and in 1940, affiliated with AFL.)

Relations with AFL: The CIO committee appointed to negotiate with the AFL late in 1937 reported that latter's proposals for unity "essentially involved the abandonment by the CIO of all its industrial unions and their members," and that no agreement could have been made with the AFL "except on the basis of a complete abandonment of the fundamental purposes of the CIO and complete acceptance of the craft bureaucracy of the AFL." A convention resolution declared: "The CIO states with finality that there can be no compromise with its fundamental purpose and aim of organizing workers into powerful industrial unions, nor with its obligation to fully protect the rights and interests of all its members and affiliated organizations."

Unity: Concretely expressing the spirit of unity were the following acts of the convention: welcome of President Roosevelt's letter asking that "every possible door" be left open for peace in the labor movement; vote in support of railroad workers' unions; praise of Canadian Trades and Labor Congress for resisting AFL leaders' attempt to split that organization; request that executive board consider affiliation with International Federation of Trade Unions; and greeting to Confederation of Workers of Latin America.

Political Action: Convention commended activities and functions of Labor's Non-Partisan League, endorsed Roosevelt's "humanitarian and social program," and went on record for political action "in sup-

port of a constructive program of economic security and social welfare of the American people."

Collective Security: Opposed the giving of "any aid or comfort, either through material or moral means to aggressor nations which are so determined to bring fascism to the entire world through war and brutal aggression." Proposed that the United States "should co-operate with all other democratic nations in the protection and strengthening of democracy and democratic institutions."

Other Resolutions: In other important resolutions, CIO expressed itself as: opposed to all changes in the National Labor Relations Act; for restriction of use of the National Guard in strikes, and withdrawal of federal funds from states denying labor its civil rights; and for expansion of the social security program and enlargement of public works program to give jobs to unemployed. It called for organization of Ford Motor Co., textile workers in the South and workers employed by big meat packing companies. One resolution attacked the "violent bias against labor organizations in the press."

San Francisco Convention, 1939

This convention, October 10 to 13, 1939, was attended by some 400 delegates representing 35 national and international unions, 25 state industrial councils, and nearly 200 city and county industrial unions, embracing some four million workers.

Number of vice-presidents was increased from two to six, the newly elected four being Reid Robinson, R. J. Thomas, Emil Rieve, and Sherman H. Dalrymple, representing, respectively, the Mine, Mill & Smelter, Auto, Textile, and Rubber workers' unions.

Principal resolutions of this convention, in addition to the major ones on organizing the unorganized, included the following:

Labor and the European War: Asserted that American labor wants no part in the European war, supported President's neutrality statements and demanded defense of democratic institutions and protection of labor's rights as "labor's answer to the tragic war in Europe."

Technological Unemployment: Urged federal government to make a survey of unemployment causes and recommended as the goal a six-hour day and 30-hour week. Urged measures "which will assure to the workers full employment and the just distribution of the benefits of technological improvements."

Farm Program: Announced its determination "to continue its policy to co-operate with farm groups and invites progressive farmers and farm

organizations to join hands with organized labor in the achievement of their common goal."

National Labor Relations Board: Reaffirmed support of the principles of NLRA but condemned certain Board policies "which undermine the basic purposes of the Act"; described recent Board actions as an "unwarranted and unworthy retreat" before attack by AFL and business Tories. It called for a "most sparing and considered use of the Wagner Act" by CIO unions.

Political Action: Commended Labor's Non-Partisan League and asked CIO executive board to work to "preserve and extend" labor's political gains and to co-operate with other groups for a constructive program of political action.

Other Legislation: Called for "large appropriations to assure adequate enforcement machinery" for the Fair Labor Standards Act and condemned failure of the Wage-Hour Administration to enforce provisions of the Act. Reiterated position of 1938 CIO convention for an adequate government works program for the unemployed. Instructed CIO officers to fight misuse of anti-trust laws against labor unions.

U. S. Department of Labor: Charged this federal department with failure to make itself a "vigorous champion of the wage earners" and called for changes in its policies.

Labor Prisoners: Pledged support to the fight for freedom of Warren K. Billings, King, Ramsay and Conner and other political prisoners. At the same time it called for repeal of state criminal syndicalism laws, especially the one in Iowa, under which CIO union organizers had been convicted.

American Red Cross: Demanded that the American Red Cross offer representation on its governing bodies to organized labor. In this connection John L. Lewis observed: "If labor is to be taxed in support of the Red Cross (and labor is taxed in its voluntary system), then labor is entitled to representation on the policy-making bodies of the American Red Cross."

Living Costs and Wages: Condemned as "pernicious and inequitable the principle that wage increases must be related to increases in the cost of living." Such a principle advanced by reactionary economists, it said, is "simply a way to chain labor forever to its present inadequate share in the wealth of this country."

1940 Legislative Program

At its meeting in Washington, December 15, 1939, the CIO Legislative Committee drew up a comprehensive program of federal legislation based upon certain fundamental objectives:

(1) the United States must keep out of any involvement in the foreign wars;

(2) the attention of this country and the energies of our Government, industrial and labor leaders of this country, must be directed toward the immediate solving of the problem of unemployment;

(3) the democratic rights and institutions of this country must be preserved and maintained;

(4) there must be continued assurance and protection of the rights of labor to organize and bargain collectively as the cornerstone for the preservation and extension of any economic and social program.

It urged that NLRA should be modified so as to impose criminal penalties on violators of the act, thus bringing the statute into line with the Railway Labor Act and the Fair Labor Standards Act, violation of which permits the imposition of such penalties. It also called for enactment of a provision that would "prevent the Government from awarding any Government contracts to any employer found to have violated the National Labor Relations Act."

In line with these objectives the program included the following demands:

Government should call an emergency conference on the problems of unemployment, establish a sound work program for a minimum of 3,000,000 jobless and a work program also for at least 4,000,000 youth who are out of work and out of school, as well as substantially increase the appropriations for the National Youth Administration.

A health program should be enacted providing that: hospitals and clinics be built with federal aid; the public health service attack such diseases as pneumonia, tuberculosis and syphilis; industrial diseases such as silicosis be stamped out; and a comprehensive federal system of medical care and health insurance for the American people be established.

Annual construction of houses should be increased from present low level of 450,000 a year to not less than 1,000,000, about 250,000 of them to be built with public money appropriated to U. S. Housing Authority.

Federal social security system should be expanded, simplified and liberalized. Old-age pensions should be \$60 a month at age of 60 plus \$30 a month for wives.

Burden of taxes on consumer groups and wage earners should be reduced and a far greater proportion derived by higher taxes on large concentrations of income and savings, levying of excess profits taxes, larger inheritance and gift taxes, abolition of tax-exempt securities, and stopping of existing tax loopholes.

Industrial spies and the purchase of tear gas and guns by employers should be outlawed.

"Congress must not permit any policy to be adopted which may in any way lead toward the involvement of the United States in the foreign wars...."

Executive Board Meeting, June 3-5, 1940

At this meeting, held as war hysteria was rising in the country, the Legislative Committee pointed out how "under the guise of national defense preparations reactionaries have sought to weaken and destroy existing legislation. Within the past few weeks we have had to shift our emphasis from attempting to obtain new legislation to bending all efforts to defend the legislative protection which we now enjoy."

Legislative Report: Report of the Legislative Committee, which was unanimously adopted, among other things:

1. Opposed all crippling amendments to NLRA, especially those which it charged had been proposed by the AFL but which "had been drafted with the aid, advice, and counsel of representatives of the most anti-labor corporations in the country and the National Association of Manufacturers."

2. Proposed amendments to Walsh-Healey or Public Contracts Act which would extend the law to all government contracts of \$4,000 or more, whether negotiated or made on the basis of competitive bids, and to all contracts for the construction of ships, previously exempt from the law. Proposed an amendment also which would "place on the list of firms ineligible to receive government contracts for a three-year period, those firms that have been found by a court in a final decision to have violated the National Labor Relations Act." It opposed any suspension of Public Contracts Act during a "national emergency."

3. Opposed any amendments to Fair Labor Standards Act of 1938 tending to weaken it, or the granting of exemptions to certain industries or groups of employees.

4. Opposed bill calling for the deportation of Harry R. Bridges, president of International Longshoremen's & Warehousemen's Union, and various bills aimed at persecution of the foreign-born. It described the policy underlying fingerprinting and registration bills in Congress as "basically unfair and un-American." Opposed transfer of Bureau of Immigration from Department of Labor to Department of Justice.

5. Supported the anti-lynching and anti-poll tax bills.

6. Opposed Administration's tax policy and reaffirmed CIO program which "calls for such taxes as an excess profits tax, elimination of tax exemption from government securities, increased inheritance and gift taxes, and increased rates and elimination of loopholes in taxes upon upper bracket incomes."

WPA and Defense: Other important actions taken at this semi-annual meeting of executive board related to employment and the national defense program then getting under way.

On unemployment and WPA the board passed a resolution proposed by CIO Committee on Unemployment predicting that armament expenditures would not "substantially fill the need of those who are eligible for WPA." It endorsed the proposal to increase WPA jobs to 3,000,000, eliminate WPA's 18-month lay-off provision, and restore hourly wages to prevailing levels.

On national defense executive board declared: "We are prepared to lend practical, wholesome and feasible co-operation in any undertaking to protect this nation and prepare for national defense." It declared that in any "national emergency," labor's rights must be preserved, these rights being "to organize into unions of their own choosing...to bargain collectively with their employer...to freedom of speech, assembly, action and worship."

Then it warned: "When war orders stop, as stop they will, millions who will have been employed in the armament and related industries will be cast out of their jobs. For them, their families and for millions of others like them, provision must be made, lest misery and suffering, the like of which no civilized country has seen before, trail in the wake of 'war boom' dislocations."

Finally it demanded that "Organized labor must be given adequate representation on boards, agencies, administrative bodies and policymaking groups, concerned with the execution and administration of any national defense program."

This program was offered "in a sincere endeavor to make our contribution toward achieving the goal which is in the heart of every true American—to assure the security of our nation, to preserve the peace for our people, and not to become involved in the present horrible war raging in Europe."

In 1940 Elections

CIO laid its program before both major political parties in 1940. Main planks proposed were similar to those adopted in resolutions at the conventions and executive board meetings of the organization.

On June 19, John L. Lewis addressed the resolutions committee of Republican Party prior to its Philadelphia convention, and was applauded when he denounced Roosevelt's peacetime conscription plan.

Philip Murray, CIO vice-president, presented a nine-point program

to the resolutions committee of Democratic Party at its Chicago convention on July 20. On foreign affairs he declared that if the United States "permits itself to become engaged in the wars of Europe and Asia there will be a complete blackout of our democratic American institutions."

Although many national unions and their locals as well as city and state bodies, especially in the early months of the campaign, had gone on record for a third term for President Roosevelt, the CIO as a national organization took no stand for either the President or his Republican opponent, Wendell L. Willkie.

Shortly before the election Louis Stark, labor correspondent of the *New York Times* (10/6/40) wrote: "By convention action about eight CIO affiliates have endorsed Mr. Roosevelt while 35 have either failed to act, referred the matter to their officers or reversed previous action," that is, rescinded a previous endorsement of Roosevelt.

Just before the election, October 25, John L. Lewis in a national broadcast, speaking as an individual and declaring "I do not speak for labor," denounced Roosevelt and called for Willkie's election. He said that labor had no point of contact with the Democratic Administration in power "except for casual and occasional interviews which are granted its individual leaders. In the Congress, the unrestrained baiting and defaming of labor by the Democratic majority has become a pastime, never subject to rebuke by the titular or actual leaders of the party."

Following this address many union leaders upheld Lewis' criticism of Roosevelt administration but did not endorse Willkie. On the other hand a number of CIO union leaders and members expressed disagreement with Lewis and continued their support of Roosevelt.

Atlantic City Convention, 1940

Third constitutional convention met November 18-22, 1940, at Atlantic City, N. J., where five years earlier CIO was born. In attendance were 496 delegates.

Lewis' Report: In his 74-page report, Pres. John L. Lewis declared the convention was meeting

under the shadow of a world crisis, which threatens to engulf our own country. All around us we see war and imperialism in their most hideous aspects.... National defense...includes not only the defense of our

shores from invaders but also the defense of our living standards and our liberties from the attacks of reactionary interests which would take advantage for their own selfish purposes of the country's emergency.

"In the past year the whole economy of the United States has been changed from a peace economy to a war economy," Lewis noted. He asserted that a "war economy is an unhealthy economy, tending politically to promote foreign adventures in order that its momentum may be maintained, and carrying in it the seeds of economic collapse when the war period comes to an end..." The job of "organizing the unorganized still remains the basic and most important task of the CIO.... Such advances as labor has secured have been won by the economic and political strength which it could muster to compel consideration."

Lewis' report also reviewed CIO's organizing campaigns during the year and the assistance given affiliates. Of CIO participation in NLRB elections in the year to October, 1940, the report said: "Even if there are included the elections in which the CIO did not participate, three times as many workers have voted for the CIO as for the AFL, and five times as many voted for the CIO as for independents."

Attempts to cripple NLRA and the wage-hour law were defeated during the year, the report stated, "due chiefly to the efforts of the CIO." Other major efforts on the legislative front were devoted to "defense of American civil liberties against the flood of anti-alien, anti-labor and generally restrictive bills that usually accompany a period of war hysteria."

While the report did not deal with this subject, *The CIO News* fifth anniversary issue (Nov. 25, 1940) reported: "In its five years of existence, the CIO has added at least five billion dollars to the pay envelopes of American workers, according to estimates made by many economists."

Membership: Lewis' report said CIO had a total membership of some 4 million in 34 national and international unions, 8 organizing committees, and 419 local industrial unions. There were 32 state and 193 city, county and district industrial union councils. Four state (three of them in the South) and 19 other industrial union councils were chartered since the 1939 convention.

"Membership vote" of the 34 national and international unions and 8 organizing committees, as reported to the convention by the credentials committee, was in excess of 3,600,000. They are listed

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below. Total membership of the 419 local industrial unions was later estimated at around 200,000.

CIO NATIONAL AND INTERNATIONAL UNIONS AND ORGANIZING COMMITTEES

<i>Name</i>	<i>Membership vote as re- ported at 1940 con- vention</i>
Aluminum Workers of America	28,800
Architects, Engineers, Chemists & Technicians, Fed. of	7,300
Automobile Workers of America, United	412,000
Cannery, Agricultural, Packing & Allied Workers, United	123,250
Clothing Workers of America, Amalgamated	259,831
Communications Association, American	18,886
Die Casting Workers, National Association of	9,800
Electrical, Radio & Machine Workers of America, United	206,824
Federal Workers of America, United	26,500
Fishermen & Allied Workers of America, International Union	17,000
Flat Glass Workers, Federation of ^a	22,645
Fur & Leather Workers Union, International	60,563
Furniture Workers of America, United	38,762
Inlandboatmen's Union of the Pacific	3,250
Iron, Steel & Tin Workers, Amalgamated Association of	8,669
Longshoremen's and Warehousemen's Union, International ..	35,000
Marine Engineers' Beneficial Association, National	7,500
Marine Cooks' and Stewards' Association, National	7,800
Marine & Shipbuilding Workers of America, Industrial Union	35,000
Maritime Union of America, National	52,000
Mine, Mill & Smelter Workers, International Union of	70,000
Mine Workers of America, United	600,000
Newspaper Guild, American	17,915
Office & Professional Workers of America, United	26,000
Oil Workers International Union	40,647
Paper, Novelty & Toy Workers International Union, United	25,000
Quarry Workers International Union ^b	11,094
Retail & Wholesale Employees of America, United	80,000
Rubber Workers of America, United	55,406
Shoe Workers of America, United	53,627
State, County & Municipal Workers of America	52,904
Textile Workers Union of America	314,000
Transport Workers Union of America	90,000
Woodworkers of America, International	58,682

CIO NATIONAL AND INTERNATIONAL UNIONS AND
ORGANIZING COMMITTEES—*Continued*

<i>Name</i>	<i>Membership vote as re- ported at 1940 con- vention</i>
Barbers & Beauty Culturists of America, Natl. Organizing Committee of	3,007
Construction Workers Organizing Committee, United	52,940
Department Store Workers Organizing Committee	
Distillery Workers Organizing Committee	1,876
Farm Equipment Workers Organizing Committee	35,631
Packinghouse Workers Organizing Committee	90,000
Steel Workers Organizing Committee	535,109
Utility Workers Organizing Committee	15,000
TOTAL	3,610,318
419 local industrial unions	(estimated) 200,000

* Name changed to Federation of Glass, Ceramics & Silica Sand Workers. * Name changed to United Stone & Allied Products Workers of America. * As reported to Labor Research Association. * Subsequent to convention this committee was dissolved as a separate entity. Its members were already in the United Retail & Wholesale Employees of America.

Resolutions: In all, 66 resolutions were adopted at this convention, over half of them covering new subject matter. Nearly 30 resolutions restated policies adopted at the 1939 convention or subsequent executive board meetings.¹ Among latter were resolutions on: WPA, unemployment, youth, housing, unity of Negro and white workers, abolition of southern poll tax, enforcement of wage-hour law and tightening up exemptions, union label, unemployment compensation, \$60-at-60 old age pension plan, public assistance, war and profiteering, representation of labor on administrative agencies, civil service for government employees, franchise for Washington, D. C., health, higher taxes on the rich, passage of anti-lynching bill, food stamp plan, use of anti-trust laws against unions, persecution of Harry Bridges, anti-labor policies of U. S. Maritime Commission,

¹ They are not repeated here as most of them are covered in foregoing sections.

continued co-operation with Latin American labor movement, equal use of radio facilities by labor, public press, co-operatives, Red Cross and Community Chest, civil liberties, and growth of ladies' auxiliaries.

Defense Problems: Despite efforts of outside forces to tie CIO to wholesale endorsement of defense program, the convention unanimously voted its own militant policies. The group of resolutions dealing with national defense and related problems were among the most important covered by convention. One resolution took note of increased corporation profits and stated that CIO unions must continue "to improve the wage structure for their members and obtain improved working conditions and a shortening of the work day and work week." It warned labor to be vigilant "to guard against any action which, under the pretense of furthering national defense, will seek to deprive the workers of their fair share of these increased earnings or to deny them their fundamental right to organize into unions of their own choice or to strike."

Another resolution vigorously reaffirmed CIO "determination to obtain from the federal government a promulgation of a national policy that no government contracts be awarded or loans be made to and no gold or silver be purchased" from any firm that does not comply with the NLRA and other labor laws. It condemned awarding of government contracts to Ford, Bethlehem, Phelps Dodge and the "scores of anti-labor corporations" that refused to comply with labor laws. It renewed the CIO demand for President to issue an executive order to all government agencies and departments and to apply the policy to contracts and loans already awarded.

Other resolutions in this group called for: preservation of peace and democratic institutions and declared "this nation must not enter into any foreign entanglements which may in any way drag us down the path of entering or becoming involved in foreign wars"; protection of rights of draftees and of labor generally in administration of conscription act; enactment of a program to take care of the social security rights of workers called into federal or military service and their dependents; prohibition of use of Home Guard units for anti-labor purposes.

Organizing: Organizing the unorganized was stressed as the prime job "which...because of present day conditions assumes even

deeper importance. . . ." Convention voted to push Ford, Bethlehem, "Little Steel," aircraft, lumber and other organizing drives.

Labor Unity: The report on this question which was approved by the convention, referred to two proposals for unity made by John L. Lewis. (One of them called for a joint convention of the AFL, CIO and railroad brotherhoods; the other for a joint convention of CIO and AFL with unions affiliated to the former given full status, with disputes to be ironed out after the CIO unions had been taken in.) It noted that these "proposals for unity have been rejected and that no counter proposals have been made which would safeguard the principles of the CIO and the rights and continued existence of its affiliated unions and its millions of members." "Irresponsible statements" that Lewis was to blame for disunity in labor's ranks "are utter falsehoods," the report said. Negotiating committee of three—Lewis, Murray and Hillman—elected at the 1939 convention, was continued.

Lewis declared that he had written to Roosevelt as authorized by the 1939 convention, but that "from that day to this I have had no information either from the White House or the Department of Labor that would indicate in any manner whatsoever that even they believed that any further negotiations would be fruitful."

Political Action: Convention emphasized importance of political activities and directed executive board to look toward "formulation of a program which would guarantee and assure an independent political role for organized labor."

"Isms": CIO reaffirmed its Americanism and stated: "... we firmly reject consideration of any policies emanating from totalitarianism, dictatorships and foreign ideologies such as Nazism, Communism and Fascism," but added, "There is room for all of us in this great movement" to "organize the unorganized and build up and strengthen our unions."

Maritime Problems: Unemployment insurance for seamen was urged as well as that fishermen be permitted to enter marine hospitals. Four major recommendations of Maritime Labor Board were endorsed and the anti-labor policies of the U. S. Maritime Commission attacked.

Other Actions: The convention expressed support of federal mining inspection bill; opposition to discrimination against aliens and the menace of the Alien Registration Act; unalterable opposition to amendment of

the NLRA and for vigorous enforcement of the Act by the Board which was, however, criticized for certain decisions "which have carved out craft units at the expense of industrial union organization."

It called for collective bargaining in certain government departments that had shown anti-labor bias; urged government to maintain model working conditions for its employees; protested recent wage schedules set up by government in Navy Yards and called for their review; condemned state legislative committees that seek to set up anti-labor blacklists.

Other resolutions asked also for support to campaign of CIO construction workers, and for release of Irving Potash and three other Fur and Leather union leaders jailed on anti-trust case charges. Support was voted Transport Workers Union in its struggle with Board of Transportation of New York City. Convention also urged passage of LaFollette-Thomas Oppressive Labor Practices Bill with elimination of certain crippling amendments.

New President: John L. Lewis retired as president of the CIO after five years. A special resolution praised his services. Philip Murray was elected the new president. Two new vice-presidents were elected—Joseph Curran of the National Maritime Union to succeed Murray, and Frank Rosenblum of the Amalgamated Clothing Workers to succeed Hillman. The four other vice-presidents and the secretary were re-elected. One executive board member from each of the 41 national and international unions and organizing committees was elected.

RAILROAD LABOR DEVELOPMENTS

Railroad unions continued to report increases in membership in past two years. Campaign against company unions was carried on successfully, National Mediation Board reporting a high proportion of victories for AFL unions in representation elections, particularly among shop crafts, where company unions had the strongest hold. With few exceptions, substantially all the railroads in the U. S. are now under agreement with the seven shop craft affiliates of the AFL Railway Employees Department.¹

Latest reported membership figures of the "big four" unaffiliated unions were: Trainmen, 148,000; Locomotive Firemen & Engineers, 86,000; Locomotive Engineers, 60,000; and Railway Conduc-

¹ Machinists, Blacksmiths, Boilermakers, Carmen, Firemen & Oilers, Sheet Metal and Electrical workers' unions.

tors, 35,000. (Membership of AFL railroad unions is given in table on page 129.)

New Unions: The United Transport Service Employees of America (formerly International Brotherhood of Red Caps), a new independent union, at end of September, 1940, had contracts with 25 railroads and terminals, representing almost 30% of Class I railroad mileage, covering railroad station porters or red caps. These agreements established for the first time for this class of workers equitable distribution of work, maximum hours of service, seniority rights and grievance machinery. Since its inception the union has been involved in jurisdictional disputes with the Brotherhood of Railway Clerks (AFL) which claims jurisdiction over all station employees. The Clerks' constitution bars Negroes from membership, but during 1940 it set up a new auxiliary for Negro members.

The Railway Employees Patrolmen's Union, affiliated with AFL, began an organization campaign early in 1940. By July more than half the policemen on several railroads had joined. Committees representing the union have approached companies asking for a written agreement. Where they refuse agreements the National Mediation Board will be appealed to.

Union Strength: Membership figures greatly underestimate the strength of the railroad unions since the unions represent not only their own membership but all employees in the class or craft on any railroad where they have an agreement. National Mediation Board has held that "once a craft or class has designated its representative, such representative is responsible under the law to act for all employees within the craft or class, those who are not members of the representing organization as well as those who are members."

As of June 30, 1940, train and engine service employees, yard employees, and telegraphers were represented by the standard unions on 98% or more of Class I railroad mileage. Clerical, office, express, station and storehouse employees were represented by the standard unions on 96% of Class I railroad mileage; maintenance of way employees on 93%; and the shop crafts unions on 80% or more. Organization among other classes of employees was weaker but National Mediation Board reports indicate substantial gains in 1940 over preceding two years.

Number of agreements held by standard unions rose to 3,672 in 1940, according to the Board.

Strikes: A nation-wide strike against a threatened 15% wage cut in 1938 was avoided by Roosevelt's appointment of an emergency mediation board which upheld the unions, making a report opposing the cut.

Railway Express Agency employees, numbering nearly 30,000, organized by Brotherhood of Railway Clerks, voted to strike in June, 1940, when company refused demands for a 44-hour week. But they remained at work on appointment of an emergency board to mediate. Board decision awarded the Clerks substantially all demands.

National Mediation Board, however, failed to settle the dispute of 80 engineers and firemen on the Monongahela Connecting Railroad. Led by

Brotherhood of Locomotive Firemen & Enginemen, these employees struck in April, 1940, for eight days demanding employment of firemen as helpers on Diesel engines.

Some 1,300 workers on Rutland Railroad of Vermont in 1940 voted to strike against 10%-30% wage cut. Company agreed to continue the existing wage scale for the time being and the strike did not take place.

Red Caps Fight: The plan of railroads and terminals to charge a fixed rate of 10¢ a bag for red cap service was vigorously opposed by United Transport Service Employees. Under this scheme the money is turned over to the terminal companies and if this amount is not sufficient to cover the minimum required under Fair Labor Standards Act the employee is paid the difference. The union has sued a number of roads and terminals for back wages amounting to around \$4 million as a result of what it charged were violations of the wage-hour act.

The union contends that red caps' income has been cut by about 40% under this plan. In other cases, red caps were laid off for alleged failure to earn the minimum. The union supported a Senate resolution to investigate whether the practice can be regulated under the terms of the Act or whether remedial legislation is needed. Senate resolution was backed also by the Clerks.

Wages and Hours Division of U. S. Department of Labor filed a brief supporting the red caps in the Union Terminal, Dallas, Tex., case. The brief declared that "an employer cannot discharge his duty to pay the minimum wage prescribed by the Act simply by serving a notice that tips received by employees shall be applied to that end." The brief said also that, under the plan, there can be no accurate check on tips actually received. This is in violation of the Act which provides that true and accurate records be made and kept. It was pointed out also that there is pressure for red caps to turn in an amount equal to the minimum, whether or not they received it, for fear of losing their jobs.

Jurisdictional Disputes: Definite procedure, effective February 15, 1940, was set up by AFL Railway Employees Dept. to handle jurisdictional disputes among shopcraft unions without interruption of service and without intervention of management. International Brotherhood of Electrical Workers refused to join on the ground that it was unworkable.

Vacations With Pay, Increases: In May, 1940, 14 of the standard railway unions representing some 750,000 workers began a national movement to secure two weeks' vacation with pay. This has long been a demand of rail workers. Other rail unions were scheduled to conduct their own negotiations for this demand. Early in 1941, the companies were reported resisting this demand and the unions threatened to take strike votes.

At the end of 1940 also, a rank-and-file movement spread for higher wages. Convention of International Assn. of Machinists (AFL) in 1940 officially went on record for wage increases on the roads.

STRIKE STATISTICS

Although there were fewer strikes in 1939 than in 1938, number of workers involved and man-days idle were nearly double the 1938 figure, according to U. S. Bureau of Labor Statistics (*Monthly Labor Review*, May, 1940). Figures are given below.

	1938	1939
Strikes	2,772	2,613
Workers involved	688,376	1,170,962
Man-days idle	9,148,273	17,812,219

Summary of 1938 and 1939 results and issues in strikes is given below.

<i>Strike results</i>	<i>Number of strikes</i>	<i>Number of workers involved</i>
Substantial gains to workers		
1938	1,110 (40.0%)	203,201 (29.6%)
1939	1,048 (39.7%)	493,149 (41.8%)
Partial gains or compromises		
1938	829 (29.9%)	333,207 (48.4%)
1939	852 (32.3%)	397,776 (33.8%)
<i>Major issues</i>		
Wages and hours		
1938	776 (28.0%)	252,166 (36.7%)
1939	699 (26.5%)	351,703 (29.9%)
Union organization		
1938	1,385 (50.0%)	224,491 (32.6%)
1939	1,411 (53.5%)	641,298 (54.4%)

1938 Strikes: While there were more strikes in 1938 than in 1939 many of them were short and involved fewer workers. Half of the total number of strikes occurred in four industry groups: textile fabric and clothing, 19%; retail and wholesale trade, 12%; building and construction, 11%; and transportation and communication, 8%.

The two largest strikes reported in 1938 were hosiery workers' strike in February in plants in Pennsylvania, New Jersey and New York, which involved 21,000, and the September truck drivers' strike in New York City and New Jersey, involving about 18,000 workers. Other outstanding 1938 strikes included that of department store workers in San Francisco, September-November; lumber workers in the Bloedel-Donovan mills, Bellingham, Wash., from July into 1939; and pecan shellers in San Antonio, Texas, early in the year.

In 1938 the three industries with the largest number of strikers were: textiles, 109,357; transportation equipment (mostly automobile), 82,738; and transportation and communication, 76,355.

Average duration of strikes was 23½ days. Some 37% of all the strikes lasted less than one week, 40% one week to one month, 17% one to three months, and 6% three months or more.

AFL led 50% of the strikes involving 35% of the total workers and 36% of the total man-days idle. The CIO led 40% of the strikes involving 55% of the workers and 52% of idleness.

1939 Strikes: That workers involved and man-days idle were nearly double those for 1938 was mainly due to successful strike of bituminous coal miners led by United Mine Workers of America in April-May, 1939. Two other large 1939 strikes were the WPA walk-out in July in a number of cities and the Chrysler Corp. (auto) struggle centering in Detroit in October-November. Other large strikes in 1939 were: Plymouth (auto) in February, Briggs Mfg. Co. in May and California cotton pickers in October. A fifth (21%) of all the 1939 strikes were in the textile industries, but they involved only 8% of all the strikers.

The five industries with the largest number of strikers in 1939 were: extraction of minerals, 383,432; WPA, relief and resettlement projects, 144,920; transportation equipment (mostly automobile), 133,635; textiles, 90,732; and transportation and communication, 86,556.

Average duration of the 1939 strikes was about 23 calendar days; 20% of all workers involved were out less than a week, 34% were idle from a week to a month and 46% were out for a month or more.

Half the 1939 strikes were led by AFL, accounting for 32% of the total number of workers and 22% of the man-days idle. CIO was involved in 29% of the strikes, but these affected 60% of the total number of strikers and accounted for 72% of the idleness.

Strikes in 1940: There were fewer strikes in 1940 and fewer strikers and man-days idle as a result of strikes in that year than in most recent years, according to Secretary of Labor Perkins. (*N. Y. Times*, April 8, 1941.) The year saw 2,508 strikes involving 447,000 workers and causing approximately 6.7 million man-days idleness. Average number of workers involved per strike was about 178. It was estimated that about 70% of the 1940 strikes involved less than 5,000 workers.

Number of strikes in 1940 was much less "than in the somewhat comparable period of national emergency in 1916 and 1917," said Secretary of Labor Perkins in releasing the figures. This was by way of replying to anti-labor barrage that magnified strikes as "crippling" national defense, preliminary to reactionary moves to outlaw strikes.

Outstanding Strikes, 1938-40: Following table lists the outstanding strikes of the three years 1938, 1939 and 1940 as compiled by Labor Research Association in its monthly *Labor Notes*. The table continues our listing of outstanding strikes since 1872 from previous *Labor Fact Books*. Arrangement of headings is the same as in *Labor Fact Book IV*.

Basis of selection of these strikes is not always the number of workers involved. Type of occupation of the workers affected or the size or strategic position of the company or industry affected, have in many cases determined the choice.

Moves to Outlaw Strikes: With 1940 corporate reports showing tremendous increases in profits and with living costs rising, many groups of workers made demands for higher wages in the early months of 1941. They also demanded union recognition from Ford Motor Co., Bethlehem Steel Corp. and other employers who had repeatedly violated NLRA orders to bargain collectively.

When these demands were rejected the workers were forced to strike. This met with a loud outcry in the press which exaggerated the number of strikes and called for anti-strike laws. AFL and CIO both opposed such restrictions, arguing that strikes were only the last resort of workers with proper and justified grievances.

Tory congressmen then introduced a number of strike-crippling bills. Rep. Thomas Ford (Cal.) labeled all strikes in defense industries "treasonable." Rep. Hatton Sumners (Texas) asked the "electric chair" for strikers in such industries. Rep. Edward Cox (Ga.) put in a bill to draft striking defense workers.

To meet the clamor for federal action Pres. Roosevelt, March 19, 1941, appointed the National Defense Mediation Board of 11 members. Labor officials on Board were Philip Murray and Thomas Kennedy from CIO, George M. Harrison and George Meany from AFL. Employer representatives were Walter C. Teagle, Cyrus S. Ching, Roger Lapham and Eugene Meyer. Three representing public were Clarence A. Dykstra, Frank Graham and William H. Davis. Dykstra was named chairman.

OUTSTANDING STRIKES

1938

<i>Date</i>	<i>Location</i>	<i>Company and/or occupation</i>	<i>Number affected</i>	<i>Outcome or purpose</i>
1/26-2/1	Jersey City, N. J.	Crucible Steel Co.	500	Compromised
2/1-3/9	Hatboro, Pa.	Roberts & Mander Stove Co.	500	Won contract, other improve- ments
2/1-3/11	San Antonio, Tex.	Pecan shellers	12,000	Won union recognition
2/14-15	Minneapolis, Minn.	Twin City Rapid Transit Co.	2,400	Against one-man crews
2/28-3/1	N. Y., N. J., Pa.	Hosiery workers	21,000	Against wage cut
3/28-31	New York City	Moving van drivers	4,000	Won increases, other gains
3/30-5/26	New York City	Fur workers	15,000	Won 3-year contract; \$2-\$6 raises, other gains
4/4-5/9	Crisfield, Md.	Crab pickers	600	Wage cuts restored; won rec- ognition
4/12-5/10	Philadelphia, Pa.	Warehousemen (4 dept. stores)	2,000	Won increases, preferential shop
4/24-5/25	Pittsburgh, Pa.	Armstrong Cork Co.	1,000	Won contract renewal
5/2-12	Woonsocket, R. I.	Eight dyeing plants	900	Against 12½% cut
5/8-7/27	Thompsonville, Conn., Amsterdam, N. Y.	Bigelow-Sanford Carpet Co..	5,500	Against wage cut
5/9-7	Newton, Iowa	Maytag Co.	1,600	Against wage cut; strike broken by National Guard
5/20-26	Akron, Ohio	B. F. Goodrich Rubber Co...	9,000	Won signed pact, maintenance of wages and hours, paid vacations
5/26-31	Akron, Ohio	Goodyear Tire & Rubber Co.	3,000	Won some conditions
6/16-8/8	New York City	Eagle Pencil Co.	1,000	Won satisfactory agreement
6/18-23	Pittsburgh, Pa.	Press and Sun Telegraph ...	350	(Office workers) Won increases

OUTSTANDING STRIKES—Continued

1938—cont'd

<i>Date</i>	<i>Location</i>	<i>Company and/or occupation</i>	<i>Number affected</i>	<i>Outcome or purpose</i>
6/24-7/27	California	American Can Co. (5 plants)	1,600	Negotiated settlement
7/38-10/39	Bellingham, Wash.	Bloedel-Donovan Lumber Mills	1,200	Against wage cut
7/10-12	Greeley, Colo.	Pea pickers	400	Won increases, closed shop
7/12-22	Greensboro, N. C.	Cone mills	5,300	Stopped wage cuts. Won other improvements
8/8-15	Orange County, Calif.	Bean pickers	2,000	Against wage cuts
	Philadelphia, Pa.	Taxi drivers	1,000	For \$30 weekly min.; 50% of gross receipts
8/16	New York City	Children's hat makers	1,000	For union conditions
9/1-8	Brooklyn, N. Y.	Painters	2,500	Won agreement with inde- pendent contractors
9/7-11/1	San Francisco, Calif.	35 department stores	6,000	Won raise, seniority, union rec- ognition, other gains
9/9-13	Kansas City, Kans.	Armour & Co.*	1,800	Company agreed to arbitrate
9/12-19	Paterson, N. J.	280 silk shops	2,500	Won wage gains, union contract
9/14-17	Detroit, Mich.	Briggs Mfg. Co.*	9,000	Against speed-up and discrimi- nation
9/14-2/14/39	Omaha, Neb.	Truck drivers	5,000	One year agreement, higher wages, other gains
9/15-10/2	New York City	Truck drivers	20,000	Won contract
9/22-25	Ark, Miss., Mo. and Okla.	Cotton pickers	18,000	Won increases
9/26-10/2	New Jersey	Truck drivers	20,000	Won contract

* Sit-down strike.

9/29-1/25/ 39	Sioux City, Iowa	Swift & Co.	325	Compromised
10/1-11/4	Kern County, Calif.	Cotton pickers	6,000	Terror broke strike, but partial gains were won
10/1-3/22/ 39	Wilkes Barre, Pa.	Three daily papers	100	Won 20-wk. severance pay, Guild shop, 5-day week
10/3-11/2	Middletown, Ohio	P. Lorillard Co.	1,000	For union contract. National Guard broke strike
10/10	New York City	Washburn Wire Co.	800	Against company contract violation
10/15	New York City	Tow boat workers	2,000	Won important gains
10/31-11/22	Trenton, N. J.	L. A. Young Spring & Wire Co.	350	Secured agreement to NLRB election (later won by union)
10/31-11/26	Brooklyn, N. Y.	Loeser's Department Store ..	800	Company agreed to bargain
11/11-12	Detroit, Mich.	Budd Wheel Co.	1,100	Won contract
11/14	Brooklyn, N. Y.	Mergenthaler Linotype Co...	1,600	Against 10% wage cut
11/22	Monterey, Calif.	Fish canneries	1,500	Demand for NLRB election
12/1-1/5/39	Racine, Milwaukee, Kenosha, Wisc.	Nash-Kelvinator Corp.	3,800	Won rehiring of workers
12/5-4/26/ 40	Chicago, Ill.	Hearst <i>American</i> and <i>Herald Examiner</i>	550	Protest against firings; 115 of 167 reinstated, rest got \$24,000 dismissal pay
12/19-1/21/ 39	Buffalo, N. Y.	Food handlers	600	Won increases, 44-hour week
12/22-3/21/ 40	Tulsa, Okla.	Mid-Continent Petroleum Corp.	1,000	Union recognized

OUTSTANDING STRIKES—Continued 1939

<i>Date</i>	<i>Location</i>	<i>Company and/or occupation</i>	<i>Number affected</i>	<i>Outcome or purpose</i>
1/3-6	New York City	Taxi drivers	13,000	Labor board election agreed on
1/5-11	Boston, Mass.	Truck drivers	6,000	Won increases
1/16	New York City	Plumbers	2,500	Lockout; employers tried to cut wages
2/1-3	New York City	Building service workers	8,000	Won \$1 week increases; 47- hour week
2/10-12	Alpena, Mich.	Alpena Garment Co.	1,000	Won 25¢ hour minimum
2/22	Detroit, Mich.	Plymouth auto plant (Chrysler) .....	....	Stoppage against anti-union move
2/28-3/19	Washington, D. C.	Hotel workers	2,200	Compromised
3/2	St. Louis, Mo.	Curtiss-Wright Corp. ....	....	For closed shop and increases
3/24-27	Boston, Mass.	Garment workers	400	Won closed shop, reduced hours
4/1-5/12	Appalachian area	Coal miners	320,000	Won closed shop, continuance of wages and hours
4/1-7/19	Harlan County, Ky.	Coal miners	14,000	Union won exclusive bargain- ing rights
4/11	Delta region, Calif.	Asparagus workers	4,000	Won increases
4/27-5/23	New Orleans, La.	Federal Barge Lines	5,000	Won preferential shop
5/22-6/7	Detroit, Mich.	Briggs Mfg. Co.	14,000	Won exclusive bargaining rights
5/25-10/25	Tacoma, Wash.	St. Paul & Tacoma Lumber Co.	900	Won agreement, 40-hour week
5/26-6/3	East coast	Eastern Steamship Lines ...	5,000	Won improvements
5/26-6/12	Bath, Me.	Bath Iron Works	2,400	Won 5% increase
6/2-6/6	New York City	Warehousemen	1,500	Won 40-hour week, \$35 wages

6/12-6/17	West Allis, Wisc.	Allis-Chalmers Mfg. Co.	6,500	Won improvements
6/22-7/27	Los Angeles, Calif.	Lumber yard workers	3,000	Won increases, shorter hours
7/5-8/5	Michigan (mostly)	12 plants, General Motors Corp.	7,000	Won agreement for skilled workers
7/7	Nationwide	WPA workers	100,000	Against new WPA act
7/31	Northern California	Swift & Co. (10 plants)....	1,500	Against company refusal to comply with contract
8/4-9/5	Cumberland, Md.	Celanese Corp.	9,000	Won new agreement, increases
8/16-10/2	Edgewater, N. J.	National Sugar Refining Co..	2,000	Won 2-yr. agreement
8/16-10/16	Columbia, S. C.	Pacific Mills	2,000	Returned without agreement
8/31-9/10	South Bend, Ind.	Bendix Products Corp.	3,000	Won new contract, increases
9/1	Detroit, Mich.	Bohn Aluminum & Brass Co.	1,400	For union shop, paid vacations
9/5-7	Brooklyn, N. Y.	Painters	2,500	Won renewal of contract
9/7-13	Tarentum, Pa.	Allegheny Ludlum Steel Corp.	2,600	Won contract, defeated wage cuts, other gains
9/26-1/11/ 40	Alpena, Mich.	Alpena Garment Co.	1,000	Won contract with gains
10/1-18	Kenosha, Wisc.	Nash-Kelvinator Corp.	3,300	Won new contract, sole bargaining rights
10/8	San Joaquin, Calif.	Cotton pickers .....	....	For increase
10/18-11/28	Detroit, Mich.	Chrysler Corp.,	58,000	Won increases and new agreement
11/2-17	New York City	Longshoremen	5,000	Employers agreed to raise wages if other ports did
11/20-12/4	New Bedford, Mass.	Fisk Rubber Co.	1,000	Satisfactory settlement

OUTSTANDING STRIKES—Continued

1940

<i>Date</i>	<i>Location</i>	<i>Company and/or occupation</i>	<i>Number affected</i>	<i>Outcome or purpose</i>
1/12-19	Passaic, N. J.	McInerney Spring & Wire Co.	1,200	Company agreed to negotiate
1/17-21	New York City	Coal drivers	2,500	Won 75¢ day increase
1/17	New York City	Credit Clearing House (office workers)	115	Won increase, new contract
1/24	Brooklyn, N. Y.	Cloak and suit workers....	5,000	Against wage chiseling
2/1-4/12	Petersburg, Va.	American Hardware Co.	1,200	Won signed agreement
2/24	South Carolina, Flor- ida and Georgia	Longshoremen	8,000	For new contract
4/6	Harlan County, Ky.	Miners	1,300	Dispute over contract viola- tions
4/10-6/25	Akron, Ohio	General Tire & Rubber Co...	1,300	Won improved conditions
4/15-5/20	Brooklyn, N. Y.	Plumbers	1,100	Won hiring rights
5/6-10	Jersey City, N. J.	Continental Can Co.	800	Won preferential shop; 5¢ hour increase
5/8	Pittsburgh, Pa.	Westinghouse Electric & Mfg. Co. (stoppage)	9,000	Won signed contract and \$600,- 000 increases
5/19-26	Chicago, Ill.	Milk wagon drivers	6,300	To block wage cuts
5/20	Bronx, N. Y.	Barbers	1,500	For contract renewal
5/31-6/2	Kearney, N. J.	Federal Ship. & Drydock Co.	6,700	Won new contract and increases totaling \$678,000
May-Dec.	Monroe, La.	<i>News-Star</i> and <i>World</i>	16	Compromise settlement
6/8-16	New York City	Teamsters	2,000	Won reduction in hours at same pay
6/12-7/10	Oakland, Calif.	Teamsters	1,200	Won 50¢ day increase

6/28-10/28	St. Louis, Mo.	Century Electric Co.	900	Won agreement
7/12-15	Barberton, Ohio	Babcock & Wilcox Co.	2,000	Won 3¢ hour increase
7/13	New York City	Garment workers	15,000	Stoppage won agreement
8/1	Trenton, N. J.	Thermoid Corp.	500	Won increase in piece-work rate
8/10-11	Birmingham, Ala.	Street car workers	106	Negroes, supported by 600 whites, won 10% increase and contract.
8/13	Canonsburg, Pa.	Standard Tin Plate Co.	3,000	For closed shop and check-off
8/26	New York City	Painters	12,000	Won increases, other gains, new agreement
9/12	Stockton, Calif.	Cannery workers	1,500	For improved conditions
9/17	Jacksonville, Fla.	Cigar workers	2,600	Won closed shop, 5% increase and paid vacations
9/24	Sparrows Point, Md.	Bethlehem Steel (shipyard) workers	4,000	For higher wages and union recognition
9/24	Lackawanna, N. Y.	Bethlehem Steel	4,000	Union won right to confer on grievances
10/8-11	Cleveland, Ohio	Midland Steel Products Co..	1,200	Won higher wages, new contract
10/10-16	Millville, N. J.	Armstrong Cork Co.	900	Won agreement
10/15-11/11	Philadelphia, Del., and southern N. J.	Butchers and retail clerks...	8,000	Won increases, shorter hours
10/25-12/2	East St. Louis, Ill.	Aluminum Ore Co.	1,300	Won increases, agreement
11/8-12	Suffolk, Va.	Lummis Co. (peanuts)	185	Won increases and agreement
11/12-22	Syracuse, N. Y., Midland, Pa.	Crucible Steel Co.	6,600	Negotiated settlement

OUTSTANDING STRIKES—Continued

1940—cont'd

<i>Date</i>	<i>Location</i>	<i>Company and/or occupation</i>	<i>Number affected</i>	<i>Outcome or purpose</i>
11/14-12/20	Saginaw, Mich.	Eaton Mfg. Co.	800	Won reinstatement
11/15-26	Downey, Calif.	Vultee Aircraft	3,500	Won increases and agreement
11/18-25	New York City	S. Blechman & Sons	225	Won closed shop, increases, other gains.
12/2-5	New York City	Electrical supply shops	1,500	Won 10% increase, union shop
12/5-9	Memphis, Tenn.	Firestone Tire & Rubber Co.	1,800	Protest against piece work
12/6	Westerly, R. I.	Bradford Dyeing Assn.	750	Refusal to negotiate increases
12/8	Philadelphia, Pa.	23 scrap metal firms	1,200	For wage increases
12/8	Washington	Logging and sawmill com- panies	12,000	For higher wages
12/9	Oakland, Calif.	Montgomery, Ward & Co. ..	500	For contract and increases
12/12	Detroit, Mich.	Neisner Bros., Inc.	700	For improved wages and hours

VI

FARMERS AND FARM WORKERS

INCOME FROM AGRICULTURE

AGRICULTURE is the chief means of livelihood for nearly one fourth the population of the United States, but it produces less than one tenth of the national income. Thirty years ago, when the farm population was over one third of the total, agriculture produced 18% of national income. Total income payments from all industries and occupations in 1939 were more than double those of 1910, but income from agriculture was barely one fifth above the 1910 figure.

AGRICULTURE AS PERCENT OF NATIONAL TOTAL

	<i>Population on farms</i>	<i>Income payments from agriculture</i>
1910	35.1%	17.9%
1920	29.9	14.1
1929	24.9	9.9
1932	24.9	5.8
1937	24.6	9.9
1938	24.5	9.1
1939	24.5	8.9

(Data from Bureau of Agricultural Economics, July, 1940.)

Income payments from agriculture overstate the share of national income actually available for the farm population, for they include interest and rent paid by farmers to non-farm landlords and creditors. These non-farm capitalists draw from agriculture more income than farmers and farm workers draw from non-farm sources.

For three years (1917-1919) the first world imperialist war raised the agricultural share in the national income above the 1910 figure. In the collapse of the war boom, income payments from agriculture dropped sharply from 20.8% of national total in 1919 to 9.4% of

national total in 1921. Throughout the 1920's it remained below 12% of the total.

In "recovery" after the low (5.8%) of 1932, income payments from agriculture have not yet touched 10% of the total. And no increase in agricultural percentage is expected during the present "defense" boom in industry.

FARMERS' CASH INCOME

Total cash returns from farm marketings, before deducting any costs of farm operation, were about \$10.7 billion yearly from 1924 to 1928, or roughly \$1,688 per farm, according to revised estimates by the Bureau of Agricultural Economics. Recovery from the crisis low of 1932 did not restore the level of the latter 1920's even in 1937 and 1940 which show the largest farm income in recent years. This income from "marketings" has included increasing totals of cash advanced to the farmers as crop loans from the Commodity Credit Corp. (see page 164). And, separately from "marketing" income, benefit payments under the Agricultural Adjustment Act and similar laws rose from \$131 million in 1933 to \$807 million in 1939.

CASH FARM INCOME BEFORE DEDUCTION OF COSTS

	<i>Income from marketings*</i>	<i>Government payments</i>	<i>Total cash</i>
A. Totals, in millions			
1924-1928, yearly	\$10,666	—	\$10,666
1932	4,682	—	4,682
1933	5,278	\$131	5,409
1937	8,744	367	9,111
1938	7,599	482	8,082
1939	7,711	807	8,518
1940	8,354	766	9,120
B. Averages per farm			
1924-1928, yearly	\$1,688	—	\$1,688
1932	717	—	717
1933	785	\$ 20	805
1937	1,340	56	1,396
1938	1,190	75	1,266
1939	1,236	120	1,365
1940	1,370	126	1,496

* Includes after 1932 advances from Commodity Credit Corporation.

Farmers' average cash income increased more than total farm income when the number of farms began to decline and some 715,000 poor farmers left the land between 1935 and 1940.

Rent, interest, taxes and payments on mortgage principal consume about one fourth of the farmers' cash income. In 1938 these totaled around \$38,700,000 *per week* or about \$6.00 weekly per farm.

Part of these payments go to rich farmers who own rented farms or who hold mortgages on other men's farms. Deducting all payments on farm property, since these drain off part of every farmer's income and add to the income of a very few farmers, the average cash per year per farm amounted in 1939 to less than \$1,050. From this the farmer had to cover all other expenses of farm operation, any farm improvements, and the necessities for family living.

At least two thirds of the farmers and possibly three farmers out of four are operating with less than average income. (The 1929 census showed about 71% of farmers with less than average gross farm income of that year.)

PRICES RECEIVED BY FARMERS

Prices received by farmers have been out of balance with prices paid by farmers for many years. They were especially low in 1938 and 1939, with a marked rise on the outbreak of the second world imperialist war. But after February, 1940, farm prices dropped again while non-farm prices remained close to the February level.

PRICES RECEIVED AND PRICES PAID BY FARMERS

(1910-1914 = 100)

	<i>Prices received</i>	<i>Prices paid</i>	<i>Prices received as percent of prices paid</i>
1925-1929	147	155	95
1932	65	107	61
1933	70	109	64
1937	121	130	93
1938	95	122	78
1939	93	121	77
1940	98	122	80

If the two sets of prices bore the same relation that they had in 1910-1914, the third column in the preceding table would show 100. The further the figures in this column fall below 100, the greater is the relative lowness of prices received by farmers.

Throughout 1940, all the principal farm products except beef cattle, veal calves, lambs and wool were below the "parity" price which would give them the same purchasing power that they had before the first world imperialist war. Some of the most markedly low farm prices and the percentages by which they were below parity in December, 1940, are shown in the following table:

AVERAGE PRICES AT THE FARM, DEC. 15, 1940

	<i>Per unit of product</i>	<i>Percent below parity</i>
Cotton (lb.)	9.33¢	41
Corn (bu.)	54.5¢	34
Wheat (bu.)	71.5¢	37
Hay (ton)	\$7.53	50
Hogs (cwt.)	\$5.59	39
Eggs (doz.)	26.8¢	28

PAYMENTS UNDER THE AAA

In addition to commercial prices, farmers carrying out AAA program of allotted acreage for soil-depleting crops and complying with a minimum standard of soil improvement have received federal payments on "normal yields of their acreage allotments." For example, in 1940, such payments added on the average 3.15 cents per pound to the amount received by the farmer for cotton; 15 cents per bushel to the amount he received for corn; and 19 cents per bushel to the amount received for wheat. Including these benefits, amounts received by farmers were still below parity by about 20% for cotton; 12% for corn; and 19% for wheat. Additional payments are allowed to farmers co-operating in the AAA acreage program who also carry out a higher standard of specified soil-building practices.

Numbers of farmers co-operating in at least one phase of AAA program have increased until in 1940 over six million farmers, operating about 80% of the eligible crop land, were receiving some benefit payment under the AAA. Under amendments enacted in 1938, small farmers whose regular benefits total less than \$200

receive a slightly increased scale of benefits, with a basic minimum of \$20; and no large concerns may legally receive more than \$10,000 each within any one state. A corporation may not legally receive more than \$10,000 in all.

Under the 1938 AAA program, to which this maximum did not apply, 113 large concerns received over \$10,000 apiece. Of these, 13 received payments of more than \$100,000, as follows:

Metropolitan Life Insurance Co.	\$346,773
Equitable Life Assurance Society	305,491
John Hancock Mutual Life Insurance Co.	263,322
Prudential Life Insurance Co.	252,717
Travelers Insurance Co.	249,630
Union Central Life Insurance Co.	184,255
Federal Land Bank of Omaha	159,668
State of South Dakota, Rural Credit Board	148,166
Federal Land Bank of St. Paul	143,346
State of North Dakota	132,623
Mutual Benefit Insurance Co.	131,455
Northwestern Mutual Life Insurance Co.	125,676
Equitable Life Insurance Co. of Iowa	119,334

Farmers raising sugar cane or sugar beets are covered by a special Sugar Act of 1937 under which production is allotted, soil conservation practices are required, and conditions of wage labor are regulated. Growers complying with all regulations set by the Sugar Division of the Agricultural Adjustment Administration receive benefits ranging from 60¢ per cwt. for growers producing less than 500 tons to 30¢ per cwt. for growers producing more than 30,000 tons. Total payable to any one producer under the Sugar Act is not limited. In 1938, the 247 large growers (0.2% of all) received, in amounts over \$10,000 each, 37% of the sugar benefits. These included payments of over \$500,000 each to four companies in Florida, Hawaii and Puerto Rico.

MARKETS

War Cuts Exports: The second world imperialist war has cut off the European market and greatly reduced farm exports to Great Britain.

Farm exports had been declining before 1939 and the Roosevelt administration had negotiated reciprocal trade agreements intended

to improve export possibilities for wheat (11 countries), lard and other meat products (3 countries), fruits (14 countries), vegetables (17 countries). At least one of these categories was included in agreements with 12 countries of the western hemisphere. Tariff concessions granted by the United States which might increase competition with our farmers' output were restricted to limited quotas or to imports only at specified seasons.

Since even the low prices received for wheat and cotton by farmers in the United States have been above world prices, the government has allowed an export subsidy to supplement the low return on products sold abroad. Amounts and terms have varied. In 1940, wheat subsidy was restricted to shipments from the Pacific Northwest; cotton subsidy applied only to stated categories of textiles and semi-manufactured products. Export subsidies have also been granted for short periods on a few other crops.

In spite of such measures, farm exports have been sharply reduced since the war began. This has affected especially wheat, tobacco and fruits; cotton and lard (since August, 1940); and pork (since March, 1940).

Total agricultural exports in 1940 were valued at \$517,000,000, a figure not fully reflecting the effect of the war because of heavy cotton exports in the early months of the year. In second half of the year, when exports normally increase, the half-year total dropped to \$166,000,000, the lowest figure since 1869. (*N. Y. Times*, Jan. 30, 1941.)

Crop Loans: Commodity loans, available from federal funds when the price of a farm product has fallen below a stated level, have served temporarily to withdraw part of the "surplus" from the market and have indirectly supported commercial prices. On December 31, 1940, the government's Commodity Credit Corporation had \$657 million of loans outstanding (chiefly against corn, cotton and wheat). It was carrying on a special tobacco program. And it owned outright over 176 million bushels of corn, over six million bales of cotton, 331.3 million pounds of tobacco, and smaller quantities of wheat, peas and vetch, and rye. Funds available for CCC loans were increased during 1940 to a total of \$1.4 billion.

"Surplus" to Needy: Since 1935, 30% of gross customs receipts have been available for aid in the disposal of "surplus" farm products. This fund (about \$100 million yearly) has been supplemented

by special appropriations of \$113 million for 1939-40 and \$135 million for 1940-41. The Federal Surplus Commodities Corporation (now a part of the Surplus Marketing Administration) has not only paid the export subsidies noted above but has bought some products for free distribution by a food stamp plan through relief agencies and free school lunch projects, and has been extending a system of low-price sales to families on relief through a second stamp plan and a special milk program.

These products handled by the FSCC are selected with a view to removing "surplus" products from the market rather than primarily as an aid to very poor families. The government has stated that where the stamp plan was in operation it increased the average food available for relief families from \$1 a week per person to \$1.50 a week per person. But the FSCC is reaching only a fraction of the undernourished population. And a food allowance of \$1.50 per person per week is totally inadequate.

If all families could have freely chosen diets of a kind that could be rated as "good" by nutrition experts, markets for farm products would be greatly increased. According to D. E. Montgomery, consumers' counsel of the Agricultural Adjustment Administration, the population as a whole would require 15% to 20% more dairy products, 35% more eggs, and 70% to 100% more of citrus fruits and certain vegetables. (*N. Y. Times*, Dec. 26, 1940.) And Louis H. Bean of the Bureau of Agricultural Economics has pointed out that the localized industrial boom from war preparations is not likely to bring even a temporary solution of this problem. In the past, industrial peaks have not wiped out underconsumption or malnutrition. "We cannot expect these improvements to happen automatically now." (U. S. Dept. of Agriculture, Information for the Press, Dec. 6, 1940.)

PROCESSORS AND CITY FOOD PRICES

Low farm prices for basic food products have not been reflected in city prices of food bought by workers' families. Traders and processors have depressed farm prices and held up city prices. Farm share of the worker's food dollar has declined (see table, p. 166).

Fresh data on monopoly and profits among processors of farm

products were revealed in 1938 and 1939 by the Federal Trade Commission in its *Agricultural Income Inquiry: 1937*.

FARM SHARE OF WORKER'S FOOD DOLLAR

	<i>Cents</i>
1913-1915	53
1925-1929	48
1932-1933	34
1936-1937	45
1938-1940	41

For example, 21% of the commercial wheat produced in the United States in 1934 was ground by General Mills, Inc. The largest 13 companies ground 60% of the total. The FTC states flatly that competition has been restricted and describes the various means employed. These include

... curtailment of production, use of a blacklist, agreements, understandings, and co-operation to sell at a profit, to exchange information on selling prices, to fix the elements of selling prices, to fix uniform carrying charges on forward sales of flour, and to fix uniform differentials on the prices of flour sold in the different kinds and sizes of packages. (*Agricultural Income Inquiry, I*, pp. 291-292.)

Such practices held up their profits even during the crisis.

While the gross farm income from wheat dropped from nearly \$704 million in 1929 to a little over \$203 million in 1932 and recovered only to \$367.4 million in 1935, the big milling companies were increasing their capital and maintained an average profit of more than 7% on total investment. (FTC data as summarized in Anna Rochester's *Why Farmers are Poor*, p. 210.)

The Big Five packers (Swift, Armour, Morris, Cudahy, Wilson) handle two thirds of the meat animals slaughtered under federal inspection for interstate commerce. Their monopoly practices were supposedly broken up by the Packers' Consent Decree, made final in May, 1932, about 27 years after the first action against them under the anti-trust laws had been started in 1905. In spite of restrictions on monopoly supposedly in force against the packers since 1929, they were able to protect their profits during the crisis.

In the lowest years of the crisis (1932 and 1933) the farmers' cash income (gross) from livestock was barely 39% and 41% of their 1929 figure. . . . A group of eleven [packing] companies, analysed in detail by the Federal Trade Commission, showed throughout the period some profit on total investment in the business, with a six-year average (1929-1934) of 4.61%. (FTC data as summarized in *Why Farmers are Poor*, p. 230.)

Concentration is very marked among companies handling milk in the chief metropolitan areas. Large dairy companies and leading packers both play an important role in the manufacture of butter and cheese. Farmers have not been satisfied with prices they receive for milk, even in areas covered by federal-state marketing orders.

FARM MORTGAGES AND FORECLOSURES

Total farm mortgage debt was estimated at over \$6.9 billion, as of January 1, 1940, involving yearly interest payments approaching \$350 million. Nearly two fifths of this total is carried by owners of farms operated by tenants or salaried managers, but some \$3.4 billion of debt is carried by farmers who own all the land they operate and another \$1.1 billion by owner-farmers who rent additional land.

Foreclosure sales and sales for delinquent taxes have continued at the rate of over 100,000 farms a year. Since March, 1933, when Roosevelt took office, about a million farms have been lost to their former owners. In spite of New Deal measures, the number of forced sales during the first six years of Roosevelt was no less than the number during the six years ending March 15, 1932.

Even during the worst year of the crisis (1932-33) some farms were resold to new owners, after foreclosure. And since 1937 voluntary sales of farm real estate have outnumbered the forced sales. But the numbers of farms owned by leading lending agencies have increased. For example, life insurance companies owned in 1929 farm real estate valued at \$88,305,000. In 1940 they owned farm real estate valued at \$700,530,000, although during these years the average value of farm land per acre declined by at least one fourth. Farm holdings of more than \$25 million were in the hands of each of eight major companies on January 1, 1939:

Metropolitan Life Insurance Co.	\$83,290,000
Equitable Life Assurance Society	67,950,000
Mutual Benefit Life Insurance Co.	50,698,000
John Hancock Mutual Life Insurance Co.	49,633,000
Prudential Insurance Co. of America	48,882,000
Union Central Life Insurance Co.	43,639,000
Travelers Insurance Co.	38,247,000
Northwestern Mutual Life Insurance Co.	25,295,000

Source: Hearings on Investigation of Concentration of Economic Power before Temporary National Economic Committee, 76th Cong. III, Part 10-A, p. 180.

Federal lending agencies, on December 31, 1939, owned outright or held sheriff's certificates against 42,000 foreclosed farms. Preliminary figures indicate some decline in federal properties during 1940. (Farm Credit Administration release, Dec. 2, 1940.)

FORECLOSED FARMS HELD BY FEDERAL LENDING AGENCIES, DEC. 31, 1939^a

	<i>Farms</i>	<i>Investment</i>
Federal land banks	25,800	\$125,894,326
Federal Farm Mortgage Corp. ^b		
Not subject to prior liens	6,879	18,371,775
Subject to prior liens	2,746	11,065,029
Joint stock land banks	6,572	54,803,170

^a Figures include sheriffs' certificates. ^b Provides capital for Land Bank Commissioner loans. Investment figure, second FPMC item, excludes prior liens.

Source: Farm Credit Administration, Seventh Annual Report, 1939, pp. 151, 200, 225, 233.

During the 1930's life insurance companies reduced their holdings of farm mortgages from \$2.1 billion to \$0.9 billion. Mortgages held by federal land banks were increased from \$1.2 billion to roughly \$2.0 billion, while Land Bank Commissioner loans, granted under an act of 1933, reached a peak of \$836 million in 1937 and still totaled \$691 million in January, 1940.

Insurance companies and commercial banks have followed the strictest policy of foreclosures. Federal agencies have been more

DISTRIBUTION OF FARM MORTGAGES AMONG CHIEF LENDING AGENCIES ON
JANUARY 1, 1931, 1937, 1940

	1940	1937	1931
Total mortgage debt (millions)	\$6,909.8	\$7,389.8 *	\$9,458.3
Per cent	100.0	100.0	100.0
Life insurance companies	12.8	12.7	21.8
Commercial banks	7.7	6.6	10.0
Joint stock land banks	0.9	1.8	6.2
Federal land banks	27.6	27.8	12.5
Land Bank Commissioner	10.0	11.3	—
All other sources	41.0	39.8	49.5

* Revised estimate.

lenient than any group of private lenders. Interest rates to be collected from farmers on federal land bank loans have been reduced from the 5% or more, which prevailed before the crisis, to 3½% under temporary acts of Congress, while the balance of interest due to holders of federal land bank bonds has been provided from the federal treasury. The seriousness of the farm debt problem is indicated by the fact that in spite of such reductions, payments on 22.2% of federal land bank mortgages and on 25.1% of Land Bank Commissioner loans were delinquent at the end of 1940.

Secretary of Agriculture Wallace came out for a farm-debt adjustment measure (Wheeler-Jones bill) in the 1940 Congress, but the bill received no support from administration forces in Congress and remained in committee.

TENANCY

In 1940, tenants numbered 2,361,271, distributed as follows:

North and West	911,978
South	
Sharecroppers	541,291
Other tenants	908,002

Decline in tenancy from 42% in 1935 to 39% in 1940 is due chiefly to effect of mechanization and of crop restriction programs on southern plantation system. In the South, number of tenants dropped by 382,182 and rate from 54% to 48%.

Throughout the South, tenancy represents an inferior status and the average tenant is a very small farmer. In the North and West, tenancy covers a much wider range of differences in scale of operation and in personal status. Between 1900 and 1930, when all tenancy increased from 35.3% to 42.4%, the rate of increase was most marked among the larger farms.

But in every section of the country tenants include a high percentage of poor transient farmers who shift about from one farm to another. The 1935 census showed that tenants who had been on the same farm less than two years were 56% of the sharecroppers; 49% of other tenants in the South; and 39% of all tenants in the North and West.

Under the Bankhead-Jones Farm Tenant Act of 1937 only 12,234 tenants had actually received farm-purchase loans up to June 30, 1940. Loans have averaged about \$5,580 for the country as a whole, and less than 9,000 will be granted under the \$50,000,000 provided for the fiscal year 1940-41. Negro tenants are 35% of all tenants in the 14 southern states, but they received only 23% of the farm-purchase loans allotted in 1938-39 in those states.

DISPLACEMENT, MIGRATION AND UNEMPLOYMENT

Total number of farms in the United States declined by 10.5% between 1935 and 1940, according to preliminary figures from 1940 Census of Agriculture. Decline was greatest in West South Central states but every section of the country was involved.

DECLINE IN NUMBER OF FARMS: 1935 to 1940

	<i>Number</i>	<i>Per Cent</i>
New England	23,051	14.6
Middle Atlantic	49,584	12.5
East North Central	77,592	7.2
West North Central	89,347	7.6
South Atlantic	127,683	11.1
East South Central	113,815	10.0
West South Central	173,201	15.2
Mountain	37,895	14.0
Pacific	23,393	7.8
United States	715,561	10.5

While farms declined in number, total farm acreage rose to the highest figure ever recorded, due entirely to increase in the West North Central, Mountain and Pacific states. Elsewhere total acreage declined less than numbers of farms and average per farm is everywhere higher than it was in 1935. In the West North Central and Mountain states the average is higher than it has ever been before.

Both owner-farmers and tenants have been pushed into great insecurity on the land. Advance in mechanization has reduced numbers required to produce a given output. Exports have declined, and in spite of increasing population in the United States, mass purchasing power here at home has not kept pace with increased productive capacity of American farms. Henry A. Wallace (then Secretary of Agriculture) told the Senate civil liberties (LaFollette) committee in May, 1940, that 1,600,000 fewer persons are needed now than were needed ten years ago to meet all "normal" requirements of farm production.

Medium-sized farms, which still contribute most of the grain, cotton, livestock and livestock products, have been overwhelmed with debt, partly related to their effort to improve their equipment. Tractors on farms increased from 246,000 in 1920, to 920,000 in 1930, and (according to trade estimates) 1,620,000 in 1939. Farmers using a tractor have been driven to seek larger acreage on which to utilize the more expensive equipment. This is one factor in displacement of tenants and small owners.

Sample studies indicate increasing insecurity for sharecroppers and other small tenant farms, and very low wages with irregular short periods of work for those who are driven off the land.

Some 3,000,000 farmers in the low farm income groups need supplementary earnings from other occupations. Many of them are in areas where no supplementary employment is available. In 1937, over 1,500,000 poor farmers registered as partially or totally unemployed, and according to official estimates, this number would have been larger by at least a million in May, 1940.

In its program of federal aid to small farmers, the Farm Security Administration has made a sharp distinction between those whom its local representatives and the county committees of leading farmers regard as efficient and promising for the relatively limited federal

aid that is available, and the still poorer small farmers to whom such aid is refused. Among the more than 3,000,000 small farmers, about 800,000 have received rehabilitation loans (usually under \$500) and another 400,000 have had subsistence grants from the FSA at some time since 1935. But at least 2,000,000 have remained untouched by this phase of the Roosevelt farm program. These are the "surplus" farmers whose small products are not needed for the markets limited by continuing mass unemployment and the low purchasing power of workers especially in unorganized industries. Among these farmers the problems of ill-health and lack of education are most serious, while constructive federal aid passes them by.

Most of the farmers who leave the land become dependent on farm wage work, as few men who have worked on the land all their lives have any industrial skill to offer for sale. From sample studies, it appears that several hundred thousands of these displaced farmers are competing with other migratory workers in the masses that wander from one area to another "following the crops" and finding only brief seasonal work at very low wages.

Displaced Negro farmers are more likely than whites to remain near the area where they had been farming, as race discrimination definitely increases for them the serious problems of migratory labor.

While increasing numbers of farmers have been driven from their farms—whether as mortgaged owners, sharecroppers, or other tenants—the opportunities for farm wage labor have been narrowed. Farms employing any wage labor are estimated to have declined by more than a million between 1930 and 1935. And although the 1930's brought some increase in wage labor on very large farms, the total numbers employed at any one time are now estimated as at least half a million lower than they were in the latter 1920's.

FARM WAGE WORKERS

Total numbers of farm wage workers vary from about 1,700,000 in January to about 2,800,000 in the months of peak employment.

Migratory farm workers together with members of their families are now estimated as numbering around two million persons. They work in large numbers not only in California but in the irrigated

areas of Idaho and Arizona, in the Yakima Valley of Washington, the Wilamette and Hood River Valleys of Oregon, in the beet sugar areas of Colorado, in the Rio Grande and "winter garden" areas of Texas, in Texas cotton fields, in the berry fields of Louisiana, Mississippi, Arkansas and Michigan, in the vegetable and citrus areas of Florida, and on the truck farms along the coast from Virginia to New England.

Conditions of migratory workers were investigated in 1940 by the Senate sub-committee on civil liberties ("LaFollette Committee") and by a special House committee on interstate migration of destitute citizens ("Tolan Committee"). Their hearings together with findings of various local studies have repeated the familiar story of very bad housing, very low pay, and great uncertainty of employment. In many areas (notably New Jersey and Texas) large farms arrange with contractors to import migrants under conditions of near-peonage. On the West Coast, the enormous surplus of migrant labor has assured the employer enough workers at extremely low wages.

Under the Sugar Act of 1937, growers of cane or sugar beets may not employ children under 14 and must pay wage workers at least a stated minimum scale of wages. The minimum rates set for 1940 by the Sugar Division of the Department of Agriculture indicate what low wage levels prevail in farm employment.

Southern California, from 30¢ to 40¢ an hour.

Northern California, Washington, Utah, Idaho, Oregon, from 35¢ to 45¢ an hour. (For 11 other sugar-beet states, only piece rates are set.)

Louisiana and Florida, from 13¢ to 20¢ an hour for males over 16; for women, and for youths 14 to 16, 11¢ to 15¢ an hour. "If work is on a piece rate basis, earnings must come up to these minimum rates per day or per hour."

Only four states (Calif., Mass., N. J., N. Y.) attempt to apply an age limit for child labor in agriculture, apart from school-attendance laws. Agricultural labor is still excluded from the operation of the federal Fair Labor Standards Act, the National Labor Relations Act, and the Social Security Act, and from most of the state laws on workmen's compensation.

Yearly Earnings: The following data on yearly earnings of farm wage workers (based on various local studies) were presented to the LaFollette Committee by E. J. Holcomb of the Bureau of Agricultural Economics.

	<i>Yearly earnings (average or median)</i>	
	<i>Cash</i>	<i>Other^a</i>
South Carolina, 1937		
Laurens County, family income	\$228	\$117
Florence County, " "	273	98
Arkansas, bottom land counties, family		
1937	292	113
1938	237	88
New Jersey, 1935		
Gloucester County, individuals	375	not reported
Hunterdon County, "	487	" "
Monmouth County, "	448	" "
Washington, Yakima Valley, 1935-36		
Transient heads of households	297	" "
Transient single workers	334	" "
Transient family households	357	" "
Resident heads of households	198	" "
Resident single workers	217	" "
Resident households	274	" "

^a Dwelling, garden, food, etc.

Average cash earnings (gross) of farm wage workers from farm labor and from all other sources except relief, during 12 months of 1935-36, are shown for ten counties in other states. These ten sample studies included both single men and heads of families.

	<i>Average earnings</i>		<i>% of workers without dependents</i>
	<i>Farm work</i>	<i>Non-farm work</i>	
Tennessee (Fentress County)	\$ 69.06	\$ 42.51	43.2
Louisiana (Concordia Parish)	100.04	31.02	49.0
Texas (Karnes County)	162.13	8.41	25.6
Kentucky (Todd County)	168.60	19.10	36.1
Minnesota (Lac Qui Parle County)	185.26	21.07	94.2
Kansas (Pawnee County)	212.05	42.36	67.5
Colorado (Archuleta County)	224.13	117.05	63.6
Illinois (Livingston County)	286.36	27.01	55.0
Iowa (Hamilton County)	292.57	19.11	68.8
Pennsylvania (Wayne County) ..	285.96	67.33	73.4

A later study of 620 workers in several Texas areas in 1938 showed average earnings of \$225, of which about two thirds was derived from agriculture, according to another witness from the Bureau of Agricultural Economics.

Rival Interests: Large farm interests have taken the lead in opposing farm wage workers' attempts to organize or strike for higher wages and better living conditions. The Associated Farmers, dominated by California corporations and drawing support from railroads and utilities as well as from "factory farms," claims over 100,000 members in 15 states and has become one of the most important fascist organizations in the United States (see pp. 194-195).

Workers' resistance to exploitation is more developed in California than elsewhere, with 183 strikes between 1933 and 1939, according to testimony before the LaFollette Committee. In 65 of these, violence was used against the pickets. Most important was the 1939 strike of 15,000 cotton pickers in the San Joaquin Valley. Some of the growers yielded an increase of pay, and over a thousand strikers joined the United Cannery, Agricultural, Packing & Allied Workers (CIO) which had come in to aid the strikers. *After* the strike, the anti-picketing ordinance in the central town of Madera was made null and void by a permanent federal injunction against the sheriff.

FARM ORGANIZATIONS

The three national farm organizations have a total membership of at least 1,300,000. At their 1940 conventions, after President Roosevelt was re-elected, all three upheld in the main the farm program of the administration while proposing various modifications and additions. Only the Farmers Union stressed protection for family-sized farms and a further reduction in maximum benefit payments, along with a further increase in the minimum benefits to small farmers.

American Farm Bureau Federation: This organization has grown in close co-operation with the Department of Agriculture and has usually supported the administration's policy on all important issues. At its 1939 convention its resolution on national defense read in part: "Our country must maintain peace. Military and naval armaments adequate to meet the reasonable requirements of national

defense must be maintained, but armament expenditures in excess of these requirements cannot be justified."

By December, 1940, at its 22nd annual convention, the federation favored "extending to Great Britain and her allies with the utmost speed every practical aid in materials and equipment." At the same time, the organization favored "doing everything within our national power and honor to remain free from the present conflict abroad" and said it could "see no good purpose in entering the conflict now being pursued within other nations." It advocated "strict and ample national preparedness and directing every effort and the use of every resource at our command in establishing economic justice within our borders."

On the question of extending social security benefits and other social legislation to agricultural workers, it stated that "until such time as agricultural prices are restored to parity levels, additional burdens from social legislation cannot be carried by farmers."

Questions of farmer-labor unity were brought up at this 1940 convention in a pro-labor, pro-union speech by Governor George D. Aiken of Vermont. The convention reiterated its 1939 resolution on labor, for recognition of collective bargaining "where necessary," but including a demand for compulsory arbitration of labor disputes "in industries handling and processing perishable or semi-perishable agricultural commodities."

National Grange, Patrons of Husbandry: This, the oldest and second largest of the farm organizations, made a forthright statement at its 1939 convention for "a sound neutrality policy that will save America from becoming entangled in foreign wars of greed, hatred and aggression. We must take the profits out of war." It recognized "the responsibility of protecting and preserving our free institutions of government."

But the convention in November, 1940, endorsed "every material aid short of active participation in war" to "England and her allies." It called for "speedy and efficient" national defense and prosecution of all who carry on "subversive activities." It favored conscription in case of war.

Its only labor statement urged amendment of the National Labor Relations Act so as to give "the farmer the exemption to which he is justly entitled." This reactionary resolution called for exemption of

processing workers as well as agricultural workers from NLRA coverage.

National Farmers' Educational and Co-Operative Union of America: This organization (commonly known as the Farmers Union) with 130,000 members is the smallest of the three nationwide organizations of genuine farmers. Its November, 1940, convention carried forward the tradition of friendship with labor and strong concern with general problems of poverty and insecurity.

The president of the Colorado State Federation of Labor and two other labor men were invited speakers. And the convention sent greetings to the CIO and AFL conventions which included the following:

The Farmers Union recognizes the comity of interest between organized labor and organized agriculture. We pledge our continuing support to organized labor in its effort to secure economic equality. We express deep appreciation for organized labor's support to agriculture in the Congress of the United States.

President Lewis of the CIO wired in reply: "You may be assured of the fullest co-operation of the CIO for the aims and aspirations of the organization you represent."

On the war question the convention re-affirmed "our historic opposition to the sending of American boys to fight on foreign soil." And in the preamble to its legislative report it stated:

Any program for defense which does not result in guaranteeing for all our farm families stable, self-supporting homes, and all of our citizens complete protection of their civil liberties will inevitably expose our democracy, at its very heart, to those same forces which undermined the democracies of Europe.

Dairy Farmers Union: With its main strength in New York state and Vermont, this union had organized about 22,000 milk farmers by the end of 1940. Started in late 1936 by farmers in St. Lawrence County, N. Y., the organization conducted a strike of dairy farmers in upstate New York in 1937. It won from the milk companies a general increase in prices paid to the farmers.

In August, 1939, the Dairy Farmers Union again resisted low prices with a strike which withheld for several days more than half the fluid milk supply for New York City and won an increase in

prices received. CIO unions in the New York area supported the striking dairy farmers with money contributions.

When American Newspaper Guild members were on strike in Monroe, Louisiana, in September, 1940, the Dairy Farmers Union at its convention in Utica, N. Y., voted unanimously to support the guild strikers in return for aid given the farmers by the New York guild the year before. The DFU helped the labor movement win two other important victories in New York state in 1940. In Rochester, farmers joined with restaurant workers (AFL) in forcing repeal of an anti-picketing ordinance. In New York City, in May, 1940, striking taxi drivers (CIO) who had helped the striking farmers in 1939 received food supplies and money from the Dairy Farmers Union.

At the annual convention of the union held in September, 1940, the farmers of the New York milkshed renewed their pledge of friendship and support for organized labor.

VII

CIVIL RIGHTS

IN THE struggle to maintain civil rights, the people of the United States in 1940-41 have faced the most critical period since the first world war (1914-18). At no time in the past 20 years has there been such a concerted, widespread drive by reactionary forces against the civil liberties guaranteed in the Bill of Rights of the U. S. Constitution.

During the past two years certain gains in the maintenance of civil rights have been offset by serious and far-reaching losses. Organized labor has had marked success in defense of collective bargaining rights under the National Labor Relations Act. It has so far been able to defeat employers' efforts to emasculate the law through amendments. Picketing rights were upheld by decision of the U. S. Supreme Court, April 22, 1940. The Senate (LaFollette) committee investigating violations of civil liberties continued its exposure of employers' spying and strikebreaking; unions and progressive organizations have used its reports to stop many illegal anti-union activities of employer associations. In Department of Labor's decision not to deport the West Coast CIO leader, Harry Bridges, labor scored a notable victory in the fight to protect foreign-born workers.

War Hysteria: With the beginning of the second world war, however, and President Roosevelt's proclamation of a "national emergency" (Sept. 8, 1939), the federal government, the Dies committee investigating "un-American" activities, vigilantes and other reactionary forces in the United States instigated a campaign, unparalleled since 1919-20, against the civil rights of individuals, minority groups and aliens.

Anti-war meetings have been broken up by American Legion and vigilante mobs. Local law enforcement officials have encouraged organizations of citizens to report on "unneutral influences" or on so-

called "fifth column activities." Vigilante attacks and raids staged against minority groups, are clearly the result of an atmosphere of hysteria, deliberately created by Dies committee, by FBI chief J. Edgar Hoover, by organized groups of professional patriots and by the war-program of the Roosevelt administration.

Civil Rights Upheld: Menace of these far-reaching assaults on civil rights in this country was pointed out at National Conference on Constitutional Liberties in America, Washington, D. C., June 9, 1940. Out of this conference came a new national organization, the National Federation for Constitutional Liberties, of which Rev. Owen A. Knox of Detroit, Mich., was elected chairman. With support of local and regional civil rights and labor groups, this federation has taken action against attacks by vigilantes and local police authorities on rights of religious and political minorities; supported the campaign for repeal of the poll tax and alien registration act; and has opposed persecution of trade unions under anti-trust laws.

Older organizations, such as American Civil Liberties Union and International Labor Defense, have continued their battle for maintenance of civil liberties, for the rights of minority groups and of the foreign-born. Their efforts to defend the Bill of Rights in the face of new assaults are included in the following sections on the struggle for civil liberties in this country.

Progressive labor's belief "in the great principles of civil rights and liberties embodied in the Bill of Rights" was vigorously expressed by the 1940 CIO convention. In a resolution on civil liberties, it pledged itself "to the maintenance and extension of our democratic rights and liberties" and condemned invasion of these liberties by private individuals "or by any officials of state, local or federal governments."

FEDERAL BUREAU OF INVESTIGATION

Department of Justice and its Federal Bureau of Investigation, headed by J. Edgar Hoover, took the lead in 1940 in invading the civil liberties of loyal and innocent persons. Hoover's methods were condemned by George W. Norris, veteran champion of civil liberties, in a speech, May 7, 1940, in the U. S. Senate.

Detroit Raids: Senator Norris' condemnation of Hoover's methods referred specifically to arrest of 11 persons in Detroit, Mich., February 6, 1940, on charges of recruiting soldiers for the Spanish Loyalist government in 1937-38. In a surprise early morning raid, FBI agents entered and ransacked the homes of these persons, and arrested ten men, including three physicians, and one girl. G-men broke down doors, in some cases, and seized papers illegally.

Victims were questioned for hours at FBI headquarters but not informed of charges against them. Most of them were refused permission to telephone relatives or to consult counsel until 15 minutes before arraignment. Bail was set at the excessive amount of \$20,000 for each of five defendants. Indictments included in all 16 persons, charged with recruiting for a foreign country, but some prisoners were questioned especially about activities of the United Automobile Workers (CIO) and Michigan Civil Rights Federation.

Protests poured in from all parts of the country, and on February 16, by order of Attorney General Jackson, all charges against the 16 defendants were dismissed. Jackson revealed that these raids had been ordered by Attorney General Frank Murphy before his appointment to the U. S. Supreme Court. A report on the raids issued by Jackson's investigator substantially admitted all facts cited above. Department of Justice subsequently, however, whitewashed methods of arrest and detention used in these raids.

Other Raids: FBI raids were carried out between February 6 and 10, 1940, in Milwaukee and in New York City. G-men raided offices of Veterans of the Abraham Lincoln Brigade in New York City and seized many of its records.

In Chicago late in December, 1939, a number of secret raids were carried out by police "Red Squad" acting on instructions from Attorney General Murphy. FBI agents co-operated with local police in these raids on homes of suspected "reds." Police broke up a social gathering in one home, went through the house and took private papers. So secret were the raids that not one daily newspaper in Chicago carried a line about any of them.

FBI Expansion: Immediately after the war began (Sept., 1939), 150 new agents were added to the FBI. In June, 1940, a new "national defense investigation" unit was added to the FBI, aimed at "fifth column" and "similar activities considered prejudicial to national safety."

Chiefly for so-called "national defense" work, i.e. for wartime espionage, 500 new agents were added to FBI payrolls on July 1, 1940. For the newly-transferred Bureau of Immigration and Naturalization (see p. 190),

the border patrol was increased from 885 to 1,600. By November, 1940, FBI was employing 2,050 persons, including a number of press agents. In the seven year period, 1933-40, FBI tripled its budget.

Wiretapping: To obtain information by tapping telephone wires is illegal in many states (but not in New York). Wiretapping on interstate calls was declared illegal by act of Congress in 1934. But FBI director J. Edgar Hoover told the press in March, 1940, that his agents had been tapping wires in "an entirely legal manner," never "in violation of existing laws."

Attorney General Jackson, despite an earlier order against wiretapping, has supported a bill in Congress which would permit FBI to tap wires when "necessary in the interest of national defense." This bill would give FBI wide latitude in securing private information from telephone conversations and using this as a basis for action for alleged "sedition."

Strikebreaking: Typical of the way Hoover uses G-men against trade unions was FBI action in April, 1940, against the International Union of Mine, Mill and Smelter Workers strike in Ducktown Basin, Chattanooga, Tenn. For eight months 425 unionists, on strike against Tennessee Copper Co., had been vainly urging the FBI to investigate false arrests and persecutions of strikers by local officials serving the company. No action had been taken.

But on April 8, 1940, FBI operatives were rushed into the area to investigate a frame-up dynamiting of three power lines serving the company. Twenty unionists were arrested on charges of "conspiracy," held incommunicado and subjected to third degree questioning by G-men. Several strikers reported to have "confessed" in prison later repudiated these alleged confessions, as wrung from them by intimidation.

"The FBI broke this strike," the union charged. J. Edgar Hoover by such methods as these "uses the FBI as a labor-spy and union-busting agency," reported the Harry Bridges Defense Committee in a survey published in September, 1940.

Strikebreaking and anti-union activity have been carried on jointly by FBI agents and the Los Angeles, Calif., police department, it was revealed by the LaFollette civil liberties committee (*Hearings*, pursuant to S. Res. 266, 74th Congress, 1940, pp. 23509 ff.). Stating that he co-operated closely with the Department of Justice, Capt. William F. ("Red") Hynes of Los Angeles intelligence bureau described union and strike meetings that had been broken up. In combating the oil workers union, a confidential document concluded: "Captain H. will vouch for the fact that Agents always bend every effort to disrupt the union and close the case as quickly as possible. They do not 'string out' the job as there are many concerns in need of their services at the present time." A letter (June 22, 1940) from the Los Angeles chief of police to the Senate civil liberties committee stated that Hynes was "liaison man" for the FBI.

In the Vultee Aircraft strike, November, 1940, Attorney General Jackson revealed that FBI agents had immediately entered the strike, labeled strike leaders as "communists," and supplied "confidential reports" on

strikers to War and Navy Departments and to National Defense Advisory Commission. (*N. Y. Times*, Nov. 24, 1940.) These reports were presumably for blacklisting purposes.

DIES' "UN-AMERICAN" COMMITTEE

At instigation of Martin Dies (Democrat, Texas) and vice president John Nance Garner, a special House committee was appointed in 1938 (pursuant to H. Res. 282) to investigate "subversive and un-American propaganda that is instigated from foreign countries or of a domestic origin." Dies was made chairman.

This committee has used its power to attack and smear as "communist" most of the anti-war, liberal and progressive individuals and organizations in the United States. It has conducted raids on labor and progressive headquarters. It has held hearings at intervals during the past two years but has not allowed the accused persons to defend themselves. At the same time the committee has permitted wholly unsubstantiated statements to be issued through newspapers. Dies himself has given publicity to wild charges, on which he could produce no reliable evidence, against unions and union leaders.

Illegal Raids: When the second world war began the Dies committee became a convenient tool for reactionary warmongers. The committee started a series of raids, without search warrants, on offices of progressive organizations. Two of these raids resulted in court rulings that the committee's actions had been illegal. Here is a record of some of its raids:

September 28, 1939. Washington, D. C. Dies agents without search warrants entered and ransacked American League for Peace and Democracy offices; took records. A month later (October 25) Dies committee made public a list of 563 government employees who were on American League's mailing list for its news releases. By implication these men and women were branded as "reds."

October 2, 1939. Chicago, Ill. Six Dies committee agents, aided by deputy marshals, raided offices of American League for Peace and Democracy; without a warrant searched and took documents and records. Five other raids were made the same day on several downtown offices, including Communist Party headquarters.

October 5, 1939. Washington, D. C. Six Dies committee agents raided Communist Party offices; subpoenaed its secretary without giving him time to consult attorneys.

March 26, 1940. Pittsburgh, Pa. Investigators for Dies committee flew

from Washington by airplane to raid Communist Party offices; without proper warrants ransacked files and took documents.

April 2, 1940. Philadelphia, Pa. Twenty-seven Dies committee investigators, reinforced by local detectives, raided offices of Communist Party and International Workers Order. "A member of the raiding party said that the seized material was transported across the Delaware River Bridge, on the way to Washington, in order to get it out of the state before legal proceedings to halt its removal could be instituted." (*N. Y. Times*, April 3, 1940.) On May 3, 1940, Federal Judge George A. Welsh ruled that these Philadelphia raids were illegal, because search and seizure warrants used were based only on "information and belief," not upon "probable cause." Dies agents, however, were later (May 24, 1940) cleared of all charges against them for these raids.

April 9, 1940. Philip Frankfeld and Thomas F. P. O'Dea, Communist leaders in Boston, Mass. who had been arrested on warrants charging "contempt" of the Dies committee, were ordered released in Washington, D. C., by Federal Judge F. Dickinson Letts, "because their constitutional rights had been violated." (*N. Y. Times*, April 10, 1940.) "Contempt" charges were then pressed in Congress against these two and against three other Communists, for refusal to give Dies committee names of party members. In January, 1941, these cases were still outstanding. Penalty for such "contempt" is one year in prison.

November 18, 1940. Chicago, Ill. Dies committee agents raided offices of Peace Mobilization, Inc., seized records and subpoenaed officers. Other raids were carried on, or threatened, apparently for publicity purposes to build up attendance at Dies' lucrative speaking engagements in cities involved.

During the 1940 election campaign Dies committee carried on an extensive drive in seven states to intimidate those who had signed petitions to put minority parties on the ballot. (See p. 196.)

Anti-Union Activities: Dies himself has repeatedly shown his anti-union bias. Following are typical examples of his attacks on unions.

In October, 1939, when National Maritime Union was negotiating crucial contracts with Gulf port shipping and oil companies, Dies hit headlines with assertion that 85% of its leaders were "communist."

In November, 1939, three days before a hotly contested National Labor Relations Board election at Armour & Co. in Chicago, Dies hurried there to hold much publicized hearings attacking Packinghouse Workers Organizing Committee (CIO) as "communist." The union exposed Dies' chief witness as an ex-convict. In spite of Dies' anti-union efforts PWOC won the election.

During United Automobile Workers' strike at Chrysler Corp., Detroit (October-November, 1939), Dies went there to issue statements against union leaders. He failed, however, to affect union's successful negotiations with the company.

In November, 1940, during the Vultee Aircraft strike in California, Dies rushed into print to announce his committee would investigate the strikers as "un-American."

Witnesses: For its hearings during past two years, the Dies committee has called as witnesses persons who had been spying on labor organizations and men who had been expelled as dishonest by trade unions and other progressive organizations.

These witnesses included such persons as Edward F. Sullivan, speaker at Nazi Bund meetings, identified with Ukrainian fascist organizations, one of Dies' chief investigators, convicted of larceny in Massachusetts and exposed by the LaFollette civil liberties committee as a labor spy; Jacob Spolansky, Detroit employers' association detective convicted of bribery; Maurice L. Malkin, ousted from WPA for alleged swindling; William C. McQuiston, expelled as a stool-pigeon from the National Maritime Union and indicted (March 13, 1940) for murder of a union member in New Orleans, La.; Benjamin Gitlow, expelled from the Communist Party of the U. S.; Rhea Whitley, former committee counsel, who had been counsel for the National Association of Manufacturers and for ten years one of Hoover's G-men; J. B. Mathews, who turned from liberal to red-baiter and used the Dies committee, as George Selde says in *Witch Hunt*, for "his personal revenge on past associates, his renegade blasts at all his old friends, and his general smear of liberal institutions."

Opposition to Dies Committee: Methods used by this committee brought widespread protests from progressive persons and organizations all over the country. Even President Roosevelt stated, October 25, 1938, that "the Dies committee made no effort to get at the truth," although Roosevelt later found the committee a useful instrument for his purposes in smearing persons and agencies opposed to war involvement.

Among organizations which condemned Dies committee methods were the American Civil Liberties Union, American Committee for Democracy and Intellectual Freedom, 130 nationally prominent lawyers, San Francisco Lawyers Guild, Descendants of the American Revolution, United Christian Council for Democracy and scores of trade unions.

San Francisco Chapter of the National Lawyers Guild concluded that "The Dies committee did not, and never seriously intended to, investigate un-American activities, as the term 'un-American' is understood by the average American." The committee, according to the lawyers' report, "used its hearings, the forum provided by Congress, for the dissemination of irresponsible slanders against honest public servants and private individuals and against public-spirited organizations."

Friend of Fascists: In all its 2½ years of "investigation" the Dies committee has never concerned itself with un-American activities of Rev. Father Charles E. Coughlin; the Christian Front, anti-Semitic organization of terrorist fascist sympathizers; Gerald B. Winrod, known as the "Kansas Hitler," or of William Dudley Pelley's Silver Shirts, known to have definite Nazi connections.

By February, 1940, Pelley could praise and thank the Dies committee for its work: "God bless the committee. . . . Continue with your good job . . . and we'll quit." (*N. Y. Times*, Feb. 9, 1940.)

When supposedly investigating (May 23, 1939) George Edward Deatherage, national commander of the Knights of the White Camelia and founder of fascist American Nationalist Confederation, the Dies committee with utmost courtesy accepted his refusal to answer questions or submit records. Deatherage was never cited for "contempt." Rep. Samuel Dickstein (Dem., N. Y.) charged in February, 1941, that "110 Fascist organizations in this country have the keys to the back door of the Dies committee." (*N. Y. Times*, Feb. 12, 1941.)

Instead of investigating Nazi and fascist organizations, Dies accepted their support. On December 8, 1938, he was honored as guest speaker at a luncheon in New York City, officially sponsored by the New York State Economic Council, whose president is Merwin K. Hart, leading Franco supporter in this country. At this luncheon Fritz Kuhn and James Wheeler-Hill, then officers of the German-American (Nazi) Bund, were guests and their names appeared on the advance list.

Continuation: On February 11, 1941, House of Representatives voted to continue the Dies committee. Despite all opposition, the House voted the committee an additional \$150,000 for the period to April 1, 1942. It had previously spent a total of \$235,000.

MISUSE OF ANTI-TRUST LAWS

Since Congress passed the Sherman Anti-Trust Act in 1890, this law has been successfully used against labor unions in a wide variety of cases. Labor has always consistently maintained that its activities were never intended to be subject to this law. It was in response, moreover, to organized labor's widespread protest against misuse of Sherman Act that Congress passed, in 1914, the Clayton Anti-Trust Act specifically exempting labor union activities from prosecution under anti-trust law. Clayton Act, however, was nullified by Supreme Court interpretation.

In 1939, use of Sherman Act against unions was revived when Apex Hosiery Co. brought suit under it against Branch 1, American Federation of Full-Fashioned Hosiery Workers (CIO) on charges growing out of a sit-down strike in 1937. Philadelphia Federal

Court's decision (April 3, 1939) granting company treble damages under Sherman Act encouraged employers to use this method of attack against other unions. AFL Teamsters' locals in Chicago and New England states were similarly sued. Republic Steel Corp. brought suit under Clayton Act against CIO in counter move to CIO's attempt to collect \$7,500,000 in back pay for 5,000 men dismissed in consequence of "Little Steel Strike" of 1937. Most menacing, however, was the drive against unions under anti-trust laws instituted by U. S. Department of Justice.

Department of Justice Drive: Intimation of drive came first in letter of Thurman Arnold, Assistant U. S. Attorney General, to Indianapolis Central Labor Union, November 19, 1939. He outlined a series of what he termed "unreasonable restraints" of trade by unions which he intended to prosecute under anti-trust laws. Between November, 1939, and August, 1940, some 57 unions and 208 union officials were included in some 78 separate indictments.

Attempting to justify attack, Arnold argued that unions stood "to gain" from government prosecution since legitimate unions were endangered by a combination of employers and dishonest union leaders and that Sherman Act was only means of protecting labor movement from these enemies within its ranks. Organized labor, however, protested that these prosecutions constituted a perversion of Sherman Act, that rank and file union members were fully capable of handling corrupt officials better than any outside prosecutor such as Arnold; and that state and local criminal and anti-racketeering laws were more than sufficient for reaching labor elements that might be engaged in extortion, graft or racketeering. It saw the drive as bringing renewed emphasis on application of anti-trust laws to all labor activities. As *Yale Law Journal* (January, 1940) explained:

"Despite its claims of benefit to responsible labor, the announced policy has dangerous implications. Aggressive public action against labor will probably bear fruit in an increased number of private suits against all types of union activities. Successful or not, they are almost sure to hinder collective bargaining."

While most of prosecutions were directed against AFL building trades unions, first to be hit under drive were leaders of International Fur & Leather Workers (CIO). Resurrecting a six-year-old indictment, Arnold charged Pres. Ben Gold and ten associates in fur union with "conspiracy" in "unreasonable restraint" of interstate commerce for attempting to "organize an entire industry." Circuit Court of Appeals, however, reversed decision. Throughout the country, indictments were obtained against entire local union memberships, individual officers or groups of officers and members of unions.

Spurred by the lower court decision in the Apex case, organized labor undertook a widespread campaign not only to secure reversal of this decision but, in the words of CIO's pamphlet, *A New Blow At Labor*, to make it "so clear that even judges can understand that the Sherman Act does not apply to trade unions."

Supreme Court Decisions: Reflecting success of labor's protest are Supreme Court decisions which have been rendered to date in cases involving application of anti-trust laws to union activities.

Supreme Court by a vote of 6 to 3, May 27, 1940, in *Apex Hosiery Co. v. Leader and A. F. of Full-Fashioned Hosiery Workers*, reversed lower court award of treble damages to company under Sherman Act. Majority opinion, written by Justice Stone, declared it was not intention of Sherman Act to bring every strike in modern industry within jurisdiction of federal courts by holding that the Act "was plainly not intended to reach ... a result" which would find that "a local factory strike stopping production or shipment of its products interstate violates the Sherman Law...."

In reply to labor's contention that Congress meant to exclude labor organizations entirely from operation of Sherman Act, majority opinion declared that "this Court ... has repeatedly held that the words of the Sherman Act, 'Every contract, combination ... or conspiracy in restraint of trade or commerce' do embrace to some extent and in some circumstances labor unions and their activities...."

While this statement represents to a certain extent a set-back for labor, majority opinion in Apex case accepted a view previously set forth only in the dissents of Justice Brandeis, that activities of labor combinations may lead to "curtailment of price competition" in commerce and still, because of a special public policy favoring collective labor activities, be outside the prohibitions of the Sherman Act. (*Monthly Bulletin*, International Juridical Assn., June, 1940.)

Majority opinion also weakened earlier anti-labor constructions placed on Sections 6 and 20 of Clayton Anti-Trust Act and opened for reconsideration the scope of labor organizations' immunity provided in that Act. Decision, moreover, declared it to be opinion of present court that the "influence upon price competition" resulting from "elimination of differences in labor standards" is the objective of any national labor organization" and that such influence: (1) "has not been considered to be the kind of curtailment of price competition prohibited by the Sherman Act"; (2) and has not been regarded by Congress "as against public policy or condemned by the Sherman Act."

Anheuser-Busch Decision: In a 5 to 2 decision, February 3, 1941, in *Anheuser-Busch* case, U. S. Supreme Court dismissed indictments against Pres. W. L. Hutcheson and three other officers of United Brotherhood of Carpenters and Joiners (AFL), on ground that jurisdictional disputes are specifically excluded by Clayton Act from criminal prosecution under Sherman Law.

Majority opinion traced the history of the Sherman, Clayton and

Norris-LaGuardia acts, pointing out that the underlying aim of the Norris-LaGuardia Act "was to restore the broad purpose which Congress thought it had formulated in the Clayton Act but which was frustrated, so Congress believed, by unduly restrictive judicial construction." And it concluded that since the Norris-LaGuardia Act reasserted the original purpose of the Clayton Act, Sec. 20 of the Clayton Act "removes all such allowable conduct from the taint of being a 'violation of any law of the United States,' including the Sherman Law."

ANTI-ALIEN DRIVE

War hysteria has greatly intensified the drive against aliens and the foreign-born. Non-citizens have been dismissed from their jobs both in public and private industry. If on relief, they have been denied citizenship papers in many localities. They have been intimidated by threats of discrimination, deportation, concentration camps and other measures; wrongly blamed for crime, espionage and sabotage. Their constitutional rights to "equal protection of the laws" (Article XIV, U. S. Constitution) have been violated. They have been forced to submit to fingerprinting and registration.

Alien Registration Act of 1940: Of all 70 or more anti-alien bills introduced in the 76th Congress, most far-reaching and menacing to democratic rights, not only of non-citizens but also of foreign-born and American citizens, was the Alien Registration Act which became law June 28, 1940.

Disguised as a measure only for fingerprinting and registration of aliens, the Act also provides (1) that no person (citizen or non-citizen) may "in any manner cause insubordination, disloyalty, mutiny, or refusal of duty by any member of the military or naval forces of the United States" and (2) that no person (citizen or non-citizen) may advocate by any method the "overthrow or destruction of any government in the United States...by force or violence." Penalties include a fine up to \$10,000, imprisonment up to 10 years, or both. Any alien found guilty of violating (1) or (2) is deportable after serving the prison term. Act's provisions are so broad and general that it can be used against persons entirely innocent of any crime.

All non-citizens 14 years of age or older, including those who have applied for naturalization, were forced to apply at their local post-office to be fingerprinted and registered between August 27 and

December 26, 1940. Non-citizens under 14 do not have to be fingerprinted but parents or guardians must register for them.

Fine of \$1,000, or six months' imprisonment, or both, is the penalty for any non-citizen failing to register or to be fingerprinted, or who swears to false information. Any non-citizen who fails to notify Commissioner of change of address within five days faces \$100 fine or 30 days' imprisonment, or both.

Registration and fingerprint records shall be "secret and confidential" according to this law, but may be made available to any agencies by the Commissioner of Immigration with the approval of the Attorney General. Fingerprint records are sent to the Federal Bureau of Investigation for filing in a separate alien file.

This 1940 alien registration law regiments not only the 4,700,000 aliens who are forced to submit to fingerprinting and constant surveillance. It affects also all foreign-born and all American citizens who may be required to show proof of their citizenship.

On August 29, 1940, two days after alien registration began, Representative Vito Marcantonio of New York introduced in Congress a resolution for repeal of the Alien Registration Act of 1940. This move for repeal of this un-American measure has met widespread response in many parts of the United States.

Transfer of Immigration Service: The Immigration and Naturalization Service was transferred from the Department of Labor to the Department of Justice in June, 1940. In voting against this transfer, many progressives including Sen. George W. Norris warned against the notorious methods of J. Edgar Hoover, head of the FBI, and against repetition of 1920 Palmer anti-alien raids. The transfer was regarded by progressive organizations as a blow at the foreign-born.

Attorney General Robert H. Jackson, August 24, 1940, announced that the FBI was "to make a thorough investigation for the purpose of determining" whether the Department of Justice can legally proceed to reopen deportation proceedings against President Harry Bridges of the International Longshoremen's and Warehousemen's Union. New deportation proceedings against Bridges were announced February 12, 1941. This move in effect rejected Department of Labor's earlier decision, on basis of Dean James M. Landis' ruling, that Bridges was not deportable. Jackson's announcement also revealed that the Immigration Service was co-operating closely with FBI in "investigating aliens."

U. S. government's refusal in 1940 to extend a visa to Harold J. Pritchett caused him to resign as president of International Woodworkers of America (CIO).

Other Discrimination: The Emergency Relief Appropriations Act (1940-41), signed by the President June 26, 1940, barred aliens from employment on WPA projects. (See p. 81.)

Independent Offices Appropriation Act was amended in January, 1940, to bar non-citizens from living in certain federal low-rent housing projects. Rep. Clifton A. Woodrum (Democrat, Va.) was responsible for this amendment.

War Department regulations, as applied in Michigan automobile and other plants, require that factories accepting government orders must submit lists of alien employees for approval. In many plants working on "defense" orders, only American citizens have been employed. (See below.)

Local Drives: Even before Congress passed the alien registration law certain state and municipal authorities and private corporations started local anti-alien moves. Following are typical examples of such action:

McKeesport, Pa., in June, 1940, enacted its own alien registration ordinance requiring fingerprinting of all non-citizens before July 6. Warrants for arrest of about 200 who failed to register in this steel-dominated city were issued immediately. A fine of \$10 was assessed for each day the alien failed to register. Each registered person was given a card with photograph and fingerprints attached. Duplicates were held by the Chief of Police.

In Georgia, Governor E. D. Rivers, in May, 1940, issued an executive order for fingerprinting and registering all aliens in the state. All business and professional licenses of Georgia aliens were cancelled, June 1. In Florida, three city commissions (Coral Gables, Miami and South Miami) drafted ordinances May, 1940, for such regimentation of non-citizens.

In Brooklyn, N. Y., Robins Dry Dock & Repair Co. (subsidiary of Todd Shipyards Corp.) issued an order to all employees, May 22, 1940, requiring all American-born citizens to submit proof of birth immediately; all naturalized U. S. citizens to submit naturalization papers; all foreign-born employees to submit a statement on entry into the United States.

In Detroit, Mich., a similar citizenship questionnaire was circulated by the Chrysler Corp. In the same city Bohn Aluminum & Brass Corp. dismissed more than 50 aliens. Other private corporations in other centers have resorted to various methods of checking up on their employees. In Connecticut, the Winchester Repeating Arms Co. and other plants dismissed all aliens in June, 1940. Armstrong Rubber Co. and Yale & Towne Mfg. Co. prepared long questionnaires to be filled by their employees.

Citizenship Denied: In New Orleans, Seattle, Denver, San Diego and Los Angeles, several hundred aliens were denied naturalization because they were on relief. This practice by local authorities was most prevalent in Tacoma, Wash., where 34 petitions for citizenship were held up or denied in the past four years. In Bellingham, Wash., 18 such cases have been reported. In Martinez, Cal., Mrs. Julia Szabo was denied citizenship July 17, 1940, because her husband belonged to the Workers Alliance, organization of the unemployed.

But in November, 1940, U. S. Solicitor General Francis Biddle instructed the local U. S. district attorney to "confess error" in the cases of seven aliens in Los Angeles who were denied citizenship because they had been on relief. The Immigration and Naturalization Service stated in a letter to American Civil Liberties Union on these cases that the policy and practice of the Service is "not to object to the naturalization of any alien solely because he is on relief." This government action led to dismissal of these seven cases and the aliens involved were free to re-apply for citizenship.

ANTI-LABOR TACTICS OF EMPLOYERS' ASSOCIATIONS

Anti-labor tactics of employer organizations, often involving interference with civil rights of labor, have been exposed in a remarkable series of reports issued by a subcommittee of the U. S. Senate Committee on Education and Labor, of which Senator Robert M. LaFollette is chairman. It was appointed in 1936 under Sen. Res. 266 (74th Congress), "to investigate violations of the right of free speech and assembly and interference with the right of labor to organize and bargain collectively."

By end of 1940, printed hearings in 64 parts, including testimony and exhibits, and eight volumes of reports to Congress had been issued by the committee. It has studied some 50 industries, employer associations and communities and over 100 strikes occurring between 1930 and 1937. (For a summary of its earlier reports on industrial espionage, strikebreaking, private company police, and industrial munitions, see *Labor Fact Book IV*, pp. 108-111 and *Trade Union Facts*, pp. 92-98.)

Despite its invaluable service to the cause of civil rights in the United States, this subcommittee has been continually handicapped by shortage of funds. Its total appropriations up to July, 1940, amounted to only \$200,000. During the past two years, the LaFollette committee has reported on labor policies and anti-union activities of certain employers' associations. Its first report dealt with National Metal Trades Association (see *Trade Union Facts*, p. 97). Some of the more recent exposures of important employer groups are summarized below.

Associated Industries of Cleveland: This group, organized in 1920, is a typical local employers' association conducting a ruthless campaign against collective bargaining and offering extensive services to its members

for these purposes. Its secretary and general manager, William Frew Long, is one of the foremost opponents of unionism in the country.

It issues propaganda leaflets, finances local newspaper advertisements, and broadcasts a radio program prepared by National Association of Manufacturers, attempting to discredit Cleveland unions.

A.I. provides its members with industrial spies, conducts strikes for employers, and issues instructions for disrupting unions. For a time it recruited spies and strikebreakers, frequently off the streets; later it referred requests for this service to Corporation Service Bureau, a Cleveland detective agency.

Typical member activity led by A.I. was the anti-union drive of Ohio Rubber Co. The company met the spontaneous demand of its employees for collective bargaining with a company union plan and refusal of union recognition. Tactics included undercover espionage and attempts to demoralize the bona fide trade union.

During a strike in 1935 this company resorted to intimidation and violence. Even union picnics were molested. Corporation Service Bureau tried to "hook" the union's financial secretary, that is get him to become a labor spy. Provocation and rioting occurred while strikebreakers were under supervision of A.I. The picket camp was completely destroyed; women feeding strikers were routed with tear gas.

Since passage of National Labor Relations Act, A.I. has engaged in a campaign to circumvent this Act through transformed company unions, so-called "independent unions," and through "individual bargaining contracts." Acting through the National Industrial Council (NAM auxiliary) in opposing the NLRA it has been part in what the LaFollette committee calls "the greatest campaign of nullification ever waged against any Federal statute." In anticipation of being investigated by the LaFollette committee, the A.I. destroyed its financial records up to 1936 and altered or tore out parts of its records and accounts after that year.

National Association of Manufacturers: This central agency of reaction is today dominated by a few of the largest anti-labor companies. From January, 1933, to October, 1937, 262 largest companies contributed 50% of NAM income. Five largest contributors, in order, were E. I. duPont de Nemours, General Motors, National Steel, U. S. Steel and Monsanto Chemical.

Bulk of NAM income is put up by less than 10% of its 3,000 members, and its active leadership comes from an even smaller clique of about 60 large corporations. Through 200 local, state and national employer associations, used as mouthpieces, NAM acts for 30,000 to 35,000 manufacturers employing from four and one-half to five million workers.

For lobbying and "educating" against NLRA, wage-and-hour law, compulsory health insurance, child labor amendment, old age pensions, unemployment compensation, anti-injunction laws and unemployment relief, NAM's expenditures totaled millions of dollars.

In 1933-34 it fought section 7(a) of the NIRA, then advised members on formation of company unions. Of 592 member companies studied, two-

thirds instituted company unions in 1933-35. NAM members were instructed to disregard the NLRA until the Supreme Court established its constitutionality. Then efforts were directed toward securing repeal or nullification; company unions were changed to "independents," and some of the largest NAM contributors took the lead in obtaining injunctions against the NLRB and otherwise obstructing its work.

NAM has allotted up to \$790,000 in one year for propaganda, in addition to expenditures of local employer groups. The organization estimated that it received one million dollars' worth of free radio time in a year; that \$1,250,000 worth of free billboard space was used during one three-month period, and that free newspaper space it received would have cost one million dollars to buy.

Said the LaFollette committee: "Through newspapers, radio, motion pictures, slide films, stockholders' letters, pay-roll stuffers, billboard advertisements, civic-progress meetings and local advertising, the NAM blanketed the country with a propaganda barrage... directed against 'labor agitators,' against governmental measures to alleviate industrial distress, against labor unions, and for the advantages of the status quo in industrial relations, of which company-dominated unions were still a part. Anti-union employers... used the propaganda material of the NAM to combat the organizational drive of unions in local industrial areas." (*Report No. 6, "Labor Policies of Employers' Associations," Part III, p. 218.*)

The committee found that the NAM, "in technique has relied upon indirection of meaning, and in presentation upon secrecy and deception. Radio speeches, public meetings, news, cartoons, editorials, advertising, motion pictures and many other artifices of propaganda have not in most instances disclosed to the public their origin with the association." (*Ibid.*)

Pacific Coast Organizations: In its study of anti-union employer tactics on the West Coast, the LaFollette committee heard testimony on Associated Farmers (in California and in separate counties); California Processors and Growers, Inc.; Anderson, Clayton & Co. (largest cotton merchandisers in the U. S.); Los Angeles Chamber of Commerce; Merchants and Manufacturers' Association of Los Angeles; Farm Labor Service of Arizona; California Fruit Growers Exchange; The Neutral Thousands; Women of the Pacific; Southern Californians, Inc.; Dairy Industries, Inc.; Industrial Association of San Francisco; California Packing Corp.; Allied Food Industries; and other groupings of big business.

In California, as a whole, Associated Farmers took the lead in getting anti-picketing ordinances passed in 31 rural counties. During 1939 about 360 persons were arrested for violating these ordinances which were intended to cripple CIO union activities. Associated Farmers were mainly responsible for vigilante methods, used in years 1934 through 1939 against agricultural and other strikers in California.

Typical of Associated Farmers' strikebreaking acts was the attack on a peaceful meeting of cotton pickers on strike in Madera County, California, October 21, 1939. A mob of vigilantes was mobilized by big

growers in advance; broke up the meeting held in the public park at Madera; beat strikers with chains, bats, billy clubs, pick handles and rubber hose. With the aid of the highway patrol and tear gas shells, 143 strikers were arrested that night and the next day, of whom 23 were held on vague, unsubstantiated charges.

Six months after the LaFollette committee held hearings on the Associated Farmers, in June, 1940, the organization announced a secret program of vigilante action by which "quiet men doing their bit" will wage "total war on subversive groups." But the six-year history of this organization of big business, as exposed by the LaFollette committee, shows that its campaigns are always turned against trade unions. Its anti-union record is so well known that even the *New York Times* (June 13, 1940) editorially warned against the danger to American liberties in the Associated Farmers' announced drive against the "fifth column."

MINORITY PARTY RIGHTS ATTACKED

In 25 states attacks were made against minority parties in the 1940 presidential election campaign. These actions, involving or threatening violations of the people's constitutional right to vote as they please, indicated a dangerous trend.

Most of these attacks were directed against the Communist Party as the strongest minority party. In several states, however, they included other minority parties such as the Socialist Party, Socialist Labor Party, and Prohibition Party. In Louisiana, southern Democratic stronghold, the state attorney general even threatened with criminal prosecution any persons registered as members of a political party who might sign an independent nominating petition—a move aimed at the "Democrats-for-Willkie" organization. The Communist Party succeeded finally in 1940 in getting on the ballot in 22 states; it was ruled off the ballot, either by executive decision or court action, in 15 states.

Requirements for a minority party to get on the ballot are made as difficult as possible in most states. An extremely large number of votes is necessary to remain on the ballot. To regain a place a party must comply with complicated provisions requiring a large number of petitioners, widely divided throughout different counties of the state. Some states require high fees from those filing as candidates.

Methods of Attack: Actions against minority rights in the 1940 election campaign took various forms: arresting and fingerprinting of petition canvassers who were gathering signatures necessary to put the minority

party on the ballot; vigilante attacks on canvassers and destruction of their property; indictment of petition signers and canvassers; filing of petition signers' names and fingerprints with the Federal Bureau of Investigation; publishing names of petition signers in newspapers as a convenient blacklist for employers; dismissal of petition signers from local employment; intimidation of petition signers by the Dies committee; injunctions brought by American Legion to restrain state authorities from placing the minority party on the ballot; newspaper articles calling for outlawing the minority party; arbitrary ruling by state attorney general or by a state ballot law commission that the party was barred from the ballot even after fulfilling the stringent requirements.

"In no previous election in American history," said the American Civil Liberties Union, "have minority parties been barred from the ballot in as many states as in the 1940 presidential election. . . . Due largely to a determined national campaign by the American Legion to keep it off the ballot," the Communist Party was the chief victim of obstruction. Officials of the American Legion challenged the Communist nominating petitions in seven states (Indiana, Illinois, Kentucky, Missouri, New Hampshire, New York, and West Virginia). The Dies committee sent intimidating letters to petition signers in seven states. In eight states pressure was brought by newspapers which published lists of signers, inviting withdrawal.

Dies committee's interference in the election in Pennsylvania was typical of actions in other states. In April, 1940, the Communist Party filed over 26,000 names (17,000 needed) of election petition signers to put the party on the ballot in this state. Dies committee immediately sent a clerical staff to copy the names and addresses, which were then made public in the (Scripps-Howard) *Pittsburgh Press*, as a convenient blacklist for the information of employers.

With all the prestige of a congressional committee to intimidate petition signers, Martin Dies sent letters to all signers, in effect warning them to repudiate their signatures. Pennsylvania authorities arrested and indicted 43 working men and women who had collected signatures; held them on bail totaling \$100,000; subjected them to five months' prosecution and a court case lasting more than a month. On March 19, 1941, Judge J. Frank Graff in Allegheny County sentenced 28 men and women, Negro and white, to heavy jail terms and fines for collecting election petition signatures to put the Communist Party on the ballot. Prison sentences ranged from six months for some to two years for George Powers, former district secretary of the Communist Party.

In New York State in 1940 elections, the Communist Party was ruled off the ballot one week before the election. Although only 12,000 petition signatures were required (including 50 from each county) the Communist Party had filed nearly 40,000 by October 8. But in this state the American Legion led the attack to terrorize petition signers, especially in Franklin and Greene counties. Legion officials wrote letters or postal cards to the signers or visited them personally, to warn them they would lose their

jobs, or, if unemployed, their relief allowances, unless they repudiated their signatures. Many signers' names and addresses were printed in local newspapers. In Greene County, 160 of 200 signers were intimidated into withdrawing their names. In its decision on this case the N. Y. Supreme Court's appellate division was divided, 3 to 2, a minority holding there were sufficient valid signatures to put the party on the ballot. But the N. Y. Court of Appeals in a final decision, October 29, supported the majority in the lower court.

Chairman Edward J. Flynn (known as "Boss Flynn of the Bronx") of the Democratic National Committee, was responsible for this drive to rule the Communist Party off the ballot in New York State, according to charges in Washington before the special U. S. Senate committee on campaign expenditures. John Burke, New York County Republican leader, stated at hearings before Sen. Guy M. Gillette that the Democratic leader, Flynn, was behind the court action to remove Communist candidates from the New York ballot "in order to render the Communists homeless so they will have to vote for Mr. Roosevelt." (*N. Y. Times*, Nov. 2, 1940.) The plot was successful in ruling this minority party off the ballot in New York State.

The Committee on Election Rights—1940, of which Dashiell Hammett was chairman, carried on a vigorous campaign to preserve the "right to vote as you please." This committee was affiliated with the National Federation for Constitutional Liberties.

VIGILANTES AND TERROR

Violent mob attacks on labor organizers and union headquarters have increased in recent years, especially since September, 1939, with "war emergency" used as an excuse. No complete record of vigilante actions exists but a partial survey indicates they have taken place in more than 20 states.

Examples given below show terrorist methods of certain employer interests, reactionary American Legionnaires, and bigoted, quasi-fascist groups of the Ku Klux Klan type. Their violence has been directed mainly against labor's right to organize in unions of its own choosing. It has included also a typically fascist terror against Jews and Negroes, non-conforming religious sects and minority political parties.

Mob action is only the logical result when persons in high place have encouraged "citizens' committees" to report on "fifth column" and "subversive" activities. When vigilantes threw two Communists into Rice Lake near Milwaukee, Wisc., July 13, 1940, Governor Julius P. Heil (Republican) said he hoped that Communists "no

matter where they go, get the same kind of a reception they got at Rice Lake." (*N. Y. Times*, July 17, 1940.)

Ford's Squads: Henry Ford heads the list of employers using terror and vigilante attacks against trade unions. The National Labor Relations Board examiner reported in April, 1940, that in Dallas, Texas, the Ford Motor Co. formed "strong arm squads," gathering together "the most brutal, vicious and conscienceless thugs in its employ who could be counted upon to accept an opportunity to indulge their sadistic desires in lieu of additional compensation upon any person pointed out to them as a CIO organizer, member, advocate or sympathizer to be beaten, whipped, tarred and feathered." (*N. Y. Times*, April 20, 1940.)

Unions bringing charges against Ford in this case included not only the United Automobile Workers of America (CIO) but two AFL affiliates, the plumbers and hatters unions.

Anti-union terror beginning in 1937 resulted in at least one death of a man wrongly identified as a CIO organizer. In 1939 Ford representatives in Dallas planned another murder which did not come off.

In six months (June-November, 1937) from 30 to 50 persons were beaten in Dallas streets by Ford strong arm men or taken to city outskirts and beaten, or tarred and feathered. NLRB report stated:

No case within the history of the board is known to the undersigned in which an employer had deliberately planned and carried into execution a program of brutal beatings, whippings and other manifestations of physical violence comparable to that shown by the uncontradicted and wholly credible evidence on which the findings are based.

Blackjacks, loaded hose, cat-o'-nine tails made of rubber stripping and electric light wire were among the weapons used by the Ford Motor Co.'s strong arm squad. There was no limit of brutality to which this squad and those who were directing it were unwilling to go if necessary, for at one stage, even murder was planned.

Ford's labor policies are admittedly formulated, the report showed, not in local branches but in the Dearborn, Michigan, main office. Senior company officials in Dearborn knew of, helped plan, and subsequently approved the program of terrorism carried out in Dallas.

In his Detroit plants in December, 1940, Ford met the United Automobile Workers' (CIO) organizing campaign with renewed violence. He defied NLRB orders to hold an election and fired over 100 union members. Inside his River Rouge plant, January 9, 1941, two UAW members

were beaten by Ford's private police; their faces were badly bruised and their eyes blackened.

Laura Law Murder: Vigilante terror was responsible for the murder, January 5, 1940, of Laura Law, 25-year-old wife of an executive board member of the International Woodworkers (CIO) in Aberdeen, Washington. Mother of a three-year-old child, Mrs. Law was tortured and hacked to death in her home while her husband was at a union meeting.

For six years reactionary business interests in Grays Harbor (Aberdeen) County district of Washington had sought to prevent lumber workers from organizing. The Finnish Workers Hall was wrecked by vigilantes in December, 1939. Pick handle brigades then drove unionists out of town. At least 10 other instances of violence against members and supporters of organized labor in this area were reported between 1935 and 1940. These included six assaults by mobs and individuals, two burglaries and three bombings.

Organizations named as responsible for the anti-labor crusade were: Ku Klux Klan, Order of Better Americans, Better Business Builders, Silver Shirts, Committee for Industrial Stabilization, Grays Harbor Citizens Committee and Grays Harbor Industrial Council.

Typical Anti-Union Attacks: In Colorado, 200 vigilantes in August, 1939, attacked workers trying to organize in AFL craft locals on Green Mountain federal dam project near Kremmling. On April 9, 1940, a similar anti-union gang attacked workers on Caddoa dam project in southeastern Colorado. They wrecked a trailer cabin used as union headquarters.

Near Silverton, Colo., on night of August 28, 1939, executives and supervisors of Shenandoah Dives Mining Co. were in the vigilante mob that attacked a strike meeting of International Union of Mine, Mill and Smelter Workers (CIO). Strikers were seeking union recognition. Mob drove union men out of town.

At Rodessa, Louisiana, in June, 1939, two officers of Texarkana Trades and Labor Council (AFL) were attacked and beaten by anti-labor terrorists when they attempted to organize a welders' union local. Beaten with butt ends of pistols, one union officer was seriously injured.

At Adrian, Michigan, October, 1939, 150 vigilantes were sworn in by the local sheriff to intimidate 280 women members of United Automobile Workers (CIO), on strike against American Chain & Cable Co., for a 15¢ an hour wage increase.

At Sevierville, Tennessee, August 19, 1939, two organizers of American Federation of Hosiery Workers (CIO) were met by a mob of over 100 men and driven out of town.

Against Minority Groups: Mob violence very similar to these anti-union attacks has been used repeatedly in past two years against Negroes, Jews, religious sects, Communist and Left Wing groups.

In five months, May-September, 1940, there were 335 violent attacks in 44 states on Jehovah's Witnesses, a religious sect which regards obeisance to the flag as "idolatrous." These mob actions were immediately increased after U. S. Supreme Court's decision, June 3, 1940, that sect

members must salute the American flag in public schools. "Over 1,600 members of the organization were forcibly interfered with, mobbed, tarred and feathered, or assaulted," the American Civil Liberties Union reported.

Anti-Semitism has taken many forms in different parts of the United States. On Broadway near Times Square, New York City, on Sunday afternoons in August, 1939, "Christian Mobilizer" fascist gangs attacked Jews; announced themselves as an army to fight in the streets. Several Jews were stabbed in New York subways in 1939. Anti-Semitic "Christian Front" conspirators were finally arrested and tried in Brooklyn, N. Y., in 1940, but were acquitted and allowed to go free.

Attacks on Negroes have included every kind of violence from police beatings to mob lynchings. (See p. 204.) In a survey of anti-Negro attacks in 1939, *not including lynchings*, the International Labor Defense found that 11 Negroes in 9 states were wantonly killed by police or by deputy sheriffs. Six of these killings occurred in northern states. (For further facts on anti-labor violence and attacks on minority groups see ILD's recent booklet, *Equal Justice: The Bill of Rights—1939-41*.)

Mob violence against Negroes, not resulting in lynching, included at least 17 cases in 13 states in 1939. In New York City three young Negroes were attacked and beaten, July 30, 1939, by a mob of white thugs who demanded they "stay off Amsterdam Ave." Near Cranbury, N. J., August 11, 1939, seven Negro potato pickers were attacked in their shack, stripped, beaten with rubber hose and covered with white paint, by a masked mob of white men with drawn guns. One of the victims was a woman.

Anti-labor violence has included gang attacks on Communists and progressive organizations, trying to hold political rallies and peace meetings. In San Antonio, Texas, August 26, 1939, a mob of about 2,000 rioters, mobilized by a Christian minister, descended upon a Communist Party meeting in the city auditorium, knocked in doors and windows, and seriously injured many persons. In Davenport, Iowa, September 9, 1939, a scheduled Communist meeting at which Elizabeth Gurley Flynn was to speak was halted by a lawless threatening mob gathered outside the hall. "Law and order" committees broke up open-air Communist Party meetings in Philadelphia, in September, 1939.

Typical of such vigilante action was the attack on 10 Commonwealth College students and others at Mena, Ark., June 24, 1940, by townspeople incited by American Legion. A 66-year-old gardener was seriously injured.

In August, 1940, a vigilante mob attacked a group of progressive puppeteers at Bristol, Vt., where the Dairy Farmers Union was strong.

KILLINGS OF WORKERS

Records kept by Labor Research Association show number of workers killed in strikes or other struggles in the United States during the past three years. These records are incomplete, since there

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is no way of obtaining exact information on all such deaths. However, so far as known definitely, there were 10 in 1938, 16 in 1939 and eight in 1940.

The list below includes strikers and union sympathizers killed in industrial or agricultural struggles, in unemployed activity, resisting evictions or similar militant actions. These workers were killed by national guardsmen, police, sheriffs, company "goons," guards or vigilantes. This list does not include lynchings. Date given in each case is the day on which the man or woman actually died—often several days after the attack.

RECORDED KILLINGS OF WORKERS IN THE UNITED STATES

<i>Date and place</i>	<i>Name of victim</i>	<i>Circumstances of the killing</i>
<i>1938</i>		
February 1 New York City	Patrick Travis Age 48	National Maritime Union member, attacked and killed by a "special patrolman" of the Seamen's House, a YMCA home. Travis had taken part in two recent strikes
March 5 East St. Louis, Ill.	Leo Quick Age 37	Business agent, boilermakers and laundry workers unions, found shot to death
April 6 Chicago, Ill.	John Robinson Age 33	Unemployed Negro worker, beaten by Maxwell St. Station police officers
May Galveston, Texas	Edward Burns	National Maritime Union member shot by police as a patrol wagon was unloaded after Burns and others had been picked up for "fighting"
June 9 Harlan, Ky.	Lester Smithers	Union miner killed by a Harlan Central Coal Co. representative for testifying against employer in U. S. government trial
July 13 Harlan, Ky.	Charles Reno Age 40	Union member shot by deputy sheriff
September 9 Hatboro, Pa.	Raymond Cooke Age 35	Member American Federation of Hosiery Workers, shot by police chief at Oscar Nebel Co., Inc., hosiery mill. Shot was fired straight into picket line

RECORDED KILLINGS OF WORKERS IN THE UNITED STATES—*Continued*

<i>Date and place</i>	<i>Name of victim</i>	<i>Circumstances of the killing</i>
<i>1938</i>		
September 14 Newark, N. J.	Jacob Schulman Age 37	Business agent of International Fur Workers Union, Local 85. Disappeared after meeting at Newark Labor Lyceum; found later with slashed throat
September 19 St. Louis, Mo.	Arthur Schading Age 51	Business agent of four locals of International Brotherhood of Electrical Workers (AFL). Killed by two unknown men as he left union headquarters
November 21 Westwood, Cal.	Ramona Lucero Age 13	Daughter of a striker, died from shock of attack, July 13, when vigilantes broke into her home
<i>1939</i>		
January 3 Tupelo, Miss.	Dan Bishop Age 50	Mortally wounded by police who sought to evict him and his aged mother from their home
April 27 Otsego, Ohio	John Abrams Age 24	Coal mine picket shot during strike at Reitler mine
May Harlan, Ky.	Beecher Turner Age 35, Negro	Union miner shot and killed by two deputy sheriffs after being picked up on minor charge
June 6 Des Moines, Iowa ...	John Charlton	Union member killed by company union slugger during packing house workers' strike at Iowa Packing Co. (Swift & Co.)
July 6 Galveston, Texas	John Syrnick Age 21	National Maritime Union member. Beaten by anti-labor "goons" on June 28. Died in hospital
July 12 Chicago, Ill.	Eric Hessler	Financial secretary, Farm Equipment Workers' Organizing Committee, CIO, No. 109. Died in hospital after attack night before he was to testify before NLRB against International Harvester Co.

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RECORDED KILLINGS OF WORKERS IN THE UNITED STATES—Continued

<i>Date and place</i>	<i>Name of victim</i>	<i>Circumstances of the killing</i>
<i>1939</i>		
July 12 Harlan, Ky.	Dock Caldwell Age 31	Killed by National Guard in attack on United Mine Workers of America picket line at Mahan-Ellison Coal Co.
July 14 Brooklyn, N. Y.	Peter Panto Age 28	Union longshoreman, foe of waterfront rackets, murdered and body buried in N. J.
July 14 Minneapolis, Minn. ..	Emil A. Bergstrom Age 60	Killed by police gunfire in attack on WPA workers protesting against Woodrum bill
July 15 Stanfield, Ky.	Bill Roberts Age 35	Union miner shot by Mahan-Ellison Coal Co. strike-breaker
July 15 Wallins Creek, Ky. ..	Frank Bryant, 30 Bradley Simpson, 25	Shot by "unknown" assailants in National Guard patrolled area, in coal mine strike
July 16 Harlan, Ky.	Daniel Noe Age 39	Second victim of National Guard attack, July 12, on mine pickets
August 16 Granville Summit, Pa.	Paul Hicks	Member Dairy Farmers' Union. Died of injuries after strike-breakers' truck crashed into milk farmers' picket line at West Burlington, Pa.
August 25 Violet, La.	Mrs. Angela Treadway Age 54	Shot to death on picket line at Dunbar-Dukate Co. cannery (shrimp peelers)
September 17 New Orleans, La.	Philip Carey Age 27	Gulf Port Division officer of National Maritime Union. Beaten by three members "chain-gang goon" squad and then shot to death
<i>1940</i>		
January 5 Aberdeen, Wash.	Laura Law Age 25	Wife of Woodworkers Union (CIO) leader, and mother of three-year old son, murdered in her home by vigilante agents of lumber interests
May 9 Brooklyn, N. Y.	Vito Trimarco Age 38	I.L.G.W.U. business agent, shot at Trio Coat shop, when trying to negotiate strike

RECORDED KILLINGS OF WORKERS IN THE UNITED STATES—*Continued*

<i>Date and place</i>	<i>Name of victim</i>	<i>Circumstances of the killing</i>
1940		
May 22 Denver, Colo.	Thos. Valentine Age 33	AFL carpenter shot by two guards on non-union highway project
August 7 St. Louis, Mo.	Oscar Buckley	CIO picket in Century Electric Co. strike, stabbed to death by a strikebreaker
September 3 New York City	John Kennedy Age 32	AFL electrical union striker, shot in his home by gunman
September 7 New York City	Carl P. Roth	AFL striker at Triangle Conduit & Cable Co. died after police attack on picket line
September 7 New York City	Bruce Cameron Age 36	Union seaman, killed by men expelled from union as employer agents
October 23 St. Louis, Mo.	Upton Hammond Age 69	AFL building trades worker, clubbed or shot to death by strikebreakers while picketing in construction strike

LYNCHINGS

Eight lynchings in 1940, five in 1939 and six in 1938 were reported by the National Association for the Advancement of Colored People. Of eight persons lynched in 1940, five were Negroes, three were white men and one was a white woman. The three white persons were beaten to death by members of the Ku Klux Klan. During the 57 years from 1883 through 1940 about 4,700 lynchings have been reported in the United States.

One of the most brutal lynchings in 1940 was that of Elbert Williams, an active worker for the NAACP, in Brownsville, near Jackson, Tenn. In June, Williams with a Negro clergyman led a group of Negroes to the Brownsville court house to find out how they could qualify to vote in the November presidential elections. Town officials, declaring they would not permit Negroes to vote, drove leaders of the group out of town. On June 26 it was announced that Williams' body had been fished out of a river near Brownsville.

A typical lynching reported with exact circumstances was the case of Joe Rodgers, Negro lumber worker and church deacon of Canton, Miss., who was shot and tortured with hot irons on May 8, 1939, after an argu-

ment with a foreman in which Rodgers refused to accept a \$5.50 weekly wage cut, amount cut to be applied for rent of a company shack.

At least 20 "unreported" lynchings of Negroes in 1939 were recorded by the NAACP. According to its special report *Lynching Goes Underground* (January, 1940), the new lynching technique is secret: "Countless Negroes are lynched yearly but their disappearance is shrouded in mystery, for they are dispatched quietly and without general knowledge. In some lonely swamp a small body of men do the job formerly done by a vast, howling, blood-thirsty mob composed of men, women and children. This is the new and dangerous method, devised by those who seek to rule by terror and intimidation."

In reporting that 25 persons were saved from lynchings in 1939, Tuskegee Institute explained that guards were augmented or other precautions taken in order to protect victims from mob violence.

On January 10, 1940, after three days of attacks by southern Democratic Congressmen, including Dies (Texas), Smith and Woodrum (Virginia), Hobbs and Starnes (Alabama), the House of Representatives passed the Gavagan Anti-Lynching bill, by a vote of 252 to 131. This measure which would make lynching a federal crime, was opposed by all but a half dozen southern representatives. It was sent to the Senate, but opposing Senators have blocked its passage. Prominent opponents of the bill in the Senate have been such leading Democrats as Senators Walter F. George (Georgia), Pat Harrison and Theodore G. Bilbo (Miss.), Robert R. Reynolds (North Carolina) and Ellison D. Smith (South Carolina).

POLL TAXES AND THE RIGHT TO VOTE

In eight southern states—Alabama, Arkansas, Georgia, Mississippi, South Carolina, Tennessee, Texas and Virginia—a poll tax payment is still required before a citizen can cast his vote in federal, state or local elections. Effect of this tax, which ranges from \$1 to \$2 yearly, is to disfranchise not only most of the Negro population but also about 64% of the white adults in poll-tax states.

Minority Elects: In poll-tax states the proportion of the adult citizens who voted in 1940 ranged from only 12.4% up to 32.1%. Here are the figures by state: Alabama, 22.9%; Arkansas, 20.4%; Georgia, 22.2%; Mississippi, 18.9%; South Carolina, 12.4%; Tennessee, 32.1%; Texas, 26.9%; Virginia, 24.5%. In non-poll-tax states of the country, 70.6% of the adult citizens voted.

Results of disfranchisement by poll tax are shown in the election of Congressmen from poll-tax states by tiny minorities of voters in their districts. Thus Rep. Martin Dies of Texas, anti-labor chairman of the committee to investigate "un-American" activities, was elected

by only 7.7% of the adult population in his district. He polled 12,816 votes from a potential voting population of 166,000.

Other reactionary Congressmen, chosen by similar minorities, include Rep. Cox of Georgia, who was elected by 4% of the adult population of his district; Rep. Howard Smith of Virginia, leader of the campaign against the National Labor Relations Act, sent to Congress by only 9.7% of eligible voters in his district; and Rep. Woodrum of Virginia, responsible for cutting WPA funds, who with his Republican opponent together got only 14.2% of the possible votes.

Constitutionality in Question: A poll tax is considered unconstitutional, according to testimony of authorities on constitutional law and other witnesses at hearings in Washington, March-May, 1940, on the Geyer bill (see below). The right to vote in a federal election derives from the Constitution. No state has a right to overthrow the method set out in the federal constitution for selecting the representatives of our government.

In the case of Henry Pirtle, Tennessee mountaineer who has not paid a poll tax, the constitutionality of the tax has been under consideration in a test case in the courts. Being otherwise qualified, Pirtle requested a judgment declaring that he was entitled to vote in Grundy County, Tenn., for a member of Congress in 1939. In March, 1941, the U. S. Circuit Court dismissed his suit.

Many organizations in the South are on record for repeal of the poll tax, including AFL and CIO unions; railroad brotherhoods; state branches of the Farmers Union and the Grange; Negro groups; League of Women Voters; Descendants of the American Revolution; and Southern Conference for Human Welfare.

Geyer Anti-Poll-Tax Bill: Introduced in the House of Representatives, August 5, 1939, by Rep. Lee E. Geyer (Democrat, California), the anti-poll-tax bill would amend the act on prevention of pernicious political activities. It provides that Congress should declare unlawful and should "forbid the requirement that poll taxes be paid as a prerequisite for voting" at federal elections.

NATIONAL NEGRO CONGRESS

With 72 local council headquarters in 38 states, the National Negro Congress leads the struggle of the Negro people, as its program states, "for peace, against hunger, against lynching, against peonage, against Jim Crowism, for the right to vote and the right to work."

National Program: During 1939-40, Negro Congress representatives appeared before congressional committees demanding passage of the anti-lynching bill and anti-poll tax bill. They have protested and submitted evidence to the Department of Justice against 200 Ku Klux Klan floggings in Greenville, S. C., and against peonage in Oglethorpe, Ga. The Congress has successfully fought cases of slander against Negroes in books, movies, press and on the radio. It has obtained increased cultural opportunities for Negro artists.

In co-operation with Labor's Non-Partisan League, the Congress distributed over a million organizing pamphlets to Negro workers in 1939-40; sent out wall newspaper charts to educate white workers on Negro problems, including 4,000 anti-poll tax charts sent to local unions; won reinstatement, through arbitration proceedings, of five Negro War Department workers. In 1940, the Congress concentrated on struggle for equal opportunities in California aircraft plants and other industries and fought segregation and discrimination in the Army and Navy. It also led a vigorous "right to vote" campaign which doubled the 1940 Negro vote in Birmingham, Ala. It won abolition of Jim Crow discrimination in federal parks and other federal recreation centers.

Local Activities: Local councils took effective action against discriminatory firings of Negro workers; defended Negroes unjustly accused of crime; supported peace demonstrations; opposed interstate deportations because of poverty; and forced compliance with health and fire regulations in Negro urban centers. Councils gave active support to trade unions in: NLRB elections in 12 Washington, D. C., hotels; Vultee Aircraft strike, Downey, Calif., November, 1940; and strike of Negro taxi drivers in Chicago. Local labor committees helped organize Negro workers in auto, packinghouse and other industries. The councils have made common cause with other organizations for more jobs, housing, clinics and schools and have been a force in making articulate the Negro people's struggle for full equality.

Third National Negro Congress: Held in Washington, D. C., April 26-28, 1940, the third congress brought together 1,300 delegates from 29 states and three foreign countries. About 40% represented unions and the rest civic, youth, fraternal societies and miscellaneous groups.

John L. Lewis' speech at this convention invited the Congress to come to a working agreement for united action with Labor's Non-Partisan League. Specific moves that followed resulted in a joint agreement to "use their full energies in a crusade to pass the anti-lynching bill and to defeat any amendments to NLRA"; to hold further discussions and appoint joint committees to act on federal, state and local issues. This significant agreement also states: "We

can establish our rightful position in society only by unity of action among ourselves and in collaboration with other exploited segments of our population...the farmers, youth, elder citizens and others who seek economic security and democratic rights for all the American people."

National secretary John P. Davis, in his report at the third convention, stressed importance of unity and co-operation with other groups, especially organized labor. He pointed to improved economic status of Negro union members and the grave problems still facing Negro people and urged "a calm determination to keep firmly to the path which leads to economic justice and complete citizenship rights in our democracy." He denounced the Dies committee and called for the United States to keep out of war. The Congress later passed a strong resolution against involvement in war. Davis spoke on equal rights enjoyed by minority nations in the Soviet Union and of its friendship for all oppressed peoples in the world.

SOUTHERN NEGRO YOUTH CONGRESS

"As we see it, democracy means to be able to vote, to be free from the threat of mob violence, to be able to get a job and work, to have adequate educational facilities." This expresses in broad terms the program of the Southern Negro Youth Congress as set forth at its Fourth Conference held in New Orleans, La., April 18-21, 1940. Over 500 delegates from 14 states attended.

Program: The Conference opposed American participation in the war; called for repeal of the poll tax; favored passage of American Youth Act; asked for close political collaboration with labor, farm and progressive white groups; deplored denial of Negro participation in federal, state and local governments; expressed unity with the oppressed peoples of all nations; called for equal educational opportunities and for Negroes on juries; condemned anti-trust prosecution of unions and Ku Klux Klan terror; supported Wagner health bill and asked for extensive federal and state aid to sharecroppers, tenants and small farmers.

Rural Problems: The Southern Negro Youth Congress has stressed the critical problems facing rural Negro youth. Mobile theaters and youth councils in small communities help reach regions where organized pressure for improved conditions is most needed.

Other Activities: A far-reaching campaign for the right to vote featured 1940 activities. The beating and fatal shooting of a young Negro worker and the frame-up and prison sentence of a Negro domestic worker, Nora Wilson, brought wide mass protest under SNYC leadership. Rights of prospective draftees were explained. Close touch is kept with local councils through a monthly mimeographed news letter.

The SNYC is affiliated with the National Negro Congress and the American Youth Congress. SNYC officers are Herman Long, National Chairman; Edward Strong, Exec. Sec'y; Thelma Dale, Vice-chairman-at-large. Address is 624 Masonic Temple, Birmingham, Ala.

COMMUNIST DEFENSE CASES

Earl Browder, general secretary of the Communist Party of the U.S.A., was arrested in October, 1939, for a technical violation of passport regulations. On January 2, 1940, Browder was sentenced to four years in a federal penitentiary and a fine of \$2,000, when a "blue ribbon" (specially selected) jury found him guilty. Bail was set at the excessive amount of \$7,500. On February 17, 1941, U. S. Supreme Court upheld the lower court's verdict in this case. Browder began a four-year prison term, March 25, 1941.

Charges against the Communist leader did not involve fraud, moral turpitude, or deception of the U. S. government as to identity of Browder, defense attorneys argued, nor was it "illegal entry" into the U. S., since right of a native-born citizen to enter this country, with or without passport, is unchallengeable. This passport case had been investigated by the government 13 years before and discarded as trivial.

This case was a signal for a nationwide attack on the Communist Party in newspapers, pulpits and radio broadcasts. William Wiener, treasurer of the party, was arrested November 24, 1939, on similar charges. He was tried, convicted (February 15, 1940) and sentenced to two years in prison, with recommendation of later deportation. Bail was set at \$10,000, again an excessive amount. His case also was appealed and Supreme Court upheld the verdict.

Harry Gannes, foreign editor of the *Daily Worker*, was indicted on a similar charge by Federal Grand Jury in New York area. Only Gannes' serious, protracted illness postponed his arrest and trial. He died in January, 1941.

Schneiderman and Darcy Cases: William Schneiderman, district organizer of the Communist Party in California, came to this country when two years old and became a naturalized American citizen at 21. But his citizenship was revoked by Federal District Court of California, June 12, 1940, because he was a member of the Young Communist League and of the Workers' Party (later Communist Party) during probationary period of his application for citizen's papers. His case has been appealed to U. S.

Supreme Court. It involves important questions for nine million other foreign-born American citizens who may see their citizenship forfeited because of past or present political opinions.

Samuel Adams Darcy, Communist Party organizer in eastern Pennsylvania, was arrested in November, 1939, for extradition to California on a five-year-old technical charge of "perjury" in election petitions. When the U. S. Supreme Court refused to review his appeal, Darcy was extradited to California, November, 1940.

"Contempt" of Dies Committee: Local Communist Party leaders in Boston, Pittsburgh, Baltimore and Philadelphia were arrested in March and April, 1940, and held on bail of \$1,000 each. They were charged with "contempt" for refusal to surrender Party membership lists to the Dies committee. (See p. 184.) These leaders stated it was their duty to protect Party members from political persecution, industrial blacklist and mob violence. They maintained the committee had no right to demand membership lists of a political party. Several of these "contempt" cases were still pending in January, 1941.

Oscar Wheeler: The Communist candidate for Governor of West Virginia, Oscar O. Wheeler, was sentenced August 6, 1940, to 15 years in prison. Of this heavy sentence, six to 10 years were for alleged failure to reveal identity of party for which he was collecting signatures, although the name of the Communist Party was printed on petition forms in 10-point bold type. Judge Harley M. Kilgore added five years more because Wheeler had been previously held as a conscientious objector in the first world war. Protests won his release on bail pending appeal.

Oklahoma Criminal Syndicalism: On August 17, 1940, Robert Wood, state secretary of the Communist Party in Oklahoma; his wife, Ina Wood; C. A. Lewis, his wife and 17-year-old son; Alan Shaw, Elizabeth Green, Eli Jaffe, Herbert Brausch and 10 others were arrested in Oklahoma City. On liquor search warrants (Oklahoma is a "dry" state), police illegally seized books, pamphlets, papers and records which were then used as "evidence" against those arrested, later charged with violating the state criminal syndicalism law.

Eighteen victims thus arrested were held incommunicado for three to six days before charges were placed against them. Lewis' son was sent home alone where a gang of vigilantes waited to beat him. Defense attorneys were refused permission to interview their clients. Eli Jaffe was beaten by drunken fellow prisoners at instigation of jailers.

Case has been handled by the International Labor Defense. Bail was finally set at the exorbitant amount of \$100,000 for each of the leaders and later reduced to \$20,000 for six and lower amounts for others.

On October 11, 1940, Robert Wood, first of the defendants tried, was found guilty and sentenced to 10 years in prison and fined \$5,000. On December 9, 1940, Alan Shaw, 22-year-old Oklahoma City secretary of the state Communist Party, was convicted under the state criminal syndicalism law and later sentenced to 10 years in prison and a fine of \$5,000 for party membership.

Political Purposes: In a survey of cases against Communist leaders (1939 to March, 1940), the American Civil Liberties Union charged that the criminal process was being used by both federal and state authorities, not solely for legitimate law enforcement, but for ulterior political purposes.

In a *Report on Prosecutions Allegedly Brought for Political Purposes*, ACLU found:

"The use of the criminal process for other than the legitimate purposes of law enforcement constitutes a serious threat to civil liberties. For the criminal process may be used by a political party in power as an indirect means of attacking political opposition and of stifling unpopular political movements. In a period of inflamed public opinion, it is peculiarly the obligation of both federal and state governments to avoid even the appearance of using the criminal process for political purposes, or for pandering to public prejudices."

LABOR PRISONERS AND DEFENSE CASES

Serving long sentences of three years to life imprisonment for their activities in labor and progressive organizations, 35 persons were still in prison in January, 1941. Included as "labor prisoners" are all those convicted on any charge growing out of labor or progressive political work or persecuted because of political beliefs, nationality or race. Above number of those serving long sentences does not include innumerable other prisoners arrested in strikes, anti-war activity or other struggles and held for shorter terms in local prisons.

In addition to these prisoners already convicted, there were in December, 1940, about 180 other men and women on trial or facing trial in the immediate future on charges of criminal syndicalism, "fraud" in election petition activity (see p. 195 ff.), "treason," "conspiracy," or violation of anti-trust laws. According to the International Labor Defense which was aiding their cases, these defendants faced possible sentences of from two to 25 years' imprisonment. Bail in these cases, for those who had been able to get out of jail, totaled about \$1,146,125.

Here is the record of recent developments in outstanding labor defense cases:

Mooney and Billings: Thomas J. Mooney and Warren K. Billings, victims of a frame-up in connection with the 1916 San Francisco Preparedness Day bombing cases, were finally released by Governor Culbert

L. Olson of California in 1939. Mooney after serving 22 years of a life sentence was unconditionally pardoned, January 7, 1939. His health has never recovered from effects of imprisonment. Billings was released, October 17, 1939, after serving 23 years of a life term, most of these years in Folsom Prison. The governor commuted Billings' sentence to time served. Trade unions and progressive groups had carried on a continuous campaign through two decades for release of these two labor prisoners.

Centralia Case: Ray Becker, last victim of the 1919 Centralia frame-up, was released in September, 1939. His sentence of 25 to 40 years was commuted by Governor Clarence D. Martin of Washington. Becker and six others, previously released, had been convicted in 1920 following an American Legion attack on an IWW hall in Centralia.

Gallup Case: Juan Ochoa and Manuel Avitia, last two victims in the Gallup case, were pardoned in July, 1939, after serving four years of a 45- to 60-year sentence. In the Gallup (New Mexico) strike of 1935, sheriff's deputies attacked a peaceful anti-eviction demonstration. Two workers and a sheriff were killed.

Los Angeles Bombing Case: Matt Schmidt, sentenced to life imprisonment on a charge of purchasing dynamite for bombing the Los Angeles Times Building in 1910, was paroled in August, 1939. James B. McNamara who had already served 29 years of a life term died in San Quentin prison, March 8, 1941.

Scottsboro Case: Five of the nine Scottsboro boys are still in prison in Alabama. Four were released, July 24, 1937. Sentences of those still held range from 20 years for Ozie Powell, 75 years for Haywood Patterson, to life imprisonment for Clarence Norris.

King-Ramsay-Conner Case: Still in prison in San Quentin, Calif., serving sentences of 20 years to life, are Frank J. Conner, Earl King and Ernest C. Ramsay, marine union leaders, charged with "murder" in a frame-up growing out of west coast maritime strikes. Renewed efforts for their pardon have recently brought some hope that Governor Olson will free these innocent men.

Harlan County Miners: All four of Harlan County union miners who were serving life terms in Evarts, Ky., 1931 battle cases, were freed January 22, 1941, by action of Lieutenant Governor R. K. Myers. Al Benson was given full pardon. W. B. Jones, Jim Reynolds and Chester Poole were released on parole.

BOOK AND PAMPHLET LIST

THE following list includes mainly books, pamphlets and government publications which are either free or sold for less than \$1. It lists relatively inexpensive literature useful in supplementary reading suggested by the topics discussed in *Labor Fact Book V*. Most of the items listed have been issued during the last two years or during the period covered by events discussed in the present volume.

Sources which have been used in the text are for the most part not included in the list. For example, the separate reports of the LaFollette civil liberties committee of the U. S. Senate exposing employers' use of spies, munitions and private police, have not been included, for they are digested and referred to in the chapter on civil rights. Neither are the *Proceedings* of the AFL or CIO conventions included for they have been drawn on extensively for facts in the text.

For fuller lists of labor pamphlets and similar publications covering a much longer period, unionists should consult their national office or state organization. For example, the Ohio CIO in 1940 issued a comprehensive catalogue entitled "Workers Education Through Pamphlets."

Labor Research Association is prepared to furnish, for a small charge, bibliographies on special topics of interest to the labor movement.

Am. Civil Liberties Union. *In the Shadow of War: The Story of Civil Liberty 1939-40*. 71 p. '40.

Am. Comm. for Democracy & Intellectual Freedom. *Activities of the Dies Committee*. New York City. 14 p. '40.

Am. Comm. for Protection of Foreign Born. *How to Become an American Citizen*. 32 p. '40.

Am. Council on Public Affairs. *The Poll Tax*. 23 p. '40.

Am. Newspaper Guild. *Labor Paper*. 35 p. '39.

Amidon, Beulah.

Jobs After Forty. Public Affairs Pamphlets. No. 35. 32 p. '39.

Who Can Afford Health? Public Affairs Pamphlets. 32 p. '39.

Anderson, Nels. *The Right to Work.* Modern Age. New York.

Bean, L. H. *Trends in Farm Wages, Farm & Non-Farm Income, Industrial Production and Unemployment.* U. S. Bureau of Agricultural Economics. 21 p. '40.

Benham, Elisabeth D. *Woman Wage Earner.* U. S. Dept. of Labor Women's Bureau Bulletin No. 172. 56 p. '34.

Bidwell, P. W. *If War Comes: Mobilizing Machines & Men.* Public Affairs Pamphlets. No. 48. 32 p. '40.

Bowden, Witt. *Wages, Hours & Productivity of Industrial Labor, 1909-1939.* U. S. Bureau of Labor Statistics. Serial No. 3. 1150.

Broach, H. H. *Thurman Arnold's Crusade.* Educational Dept. Int'l Brotherhood of Electrical Workers. 39 p. '40.

Budenz, Louis. *Save Your Union: The Meaning of Anti-Trust Persecution of Labor.* Workers Library. 31 p. '40.

Cohen, F. S. *Social & Economic Consequences of Exclusionary Immigration Laws.* Am. Comm. for Protection of Foreign Born. 22 p. '40.

Common Council for American Unity. *Alien Registration: A Manual of Information for Aliens & Those Advising Them.* 63 p. '40.

Congress of Industrial Organizations.

CIO's 1941 Legislative Program. '41.

CIO'S 1940 Legislative Program for Jobs. 14 p. '40.

Labor's Program for Better Housing. Pub. No. 22. 27 p. '40.

Organize the Unorganized: The CIO, its Progress and its Goal. Pub. No. 35. 46 p. '39.

Save the Wagner Act. Pub. No. 43. 15 p. '40.

Security for the People. Pub. No. 44. 15 p. '40.

Your Civil Liberties and How to Protect Them. Pub. No. 39. 29 p. '40.

Your Rights Under the Federal Wage and Hour Law. 24 p. '40.

Cushman, Robert E. *Safeguarding Our Civil Liberties.* Public Affairs Pamphlets. 22 p. '40.

Dunn, Robert W. *Bill of Rights in Danger.* Int'l Labor Defense. 32 p. '40.

Fisher, Ernst.

Is This a War for Freedom? Workers Library. 36 p. '40.

What is Socialism? Workers Library. 64 p. '40.

Foster, William T. *Loan Sharks & Their Victims.* Public Affairs Pamphlets. 32 p. '40.

Foster, William Z. *Railroad Workers and the War.* Workers Library. 16 p. '41.

Gill, Corrington, *Unemployment & Technological Change.* U. S. WPA National Research Project. Report No. G. 7. 21 p. '40.

- Goodelman, Leon. *Look at Labor*. Modern Age. New York. '40.
- Greene, Nathan. *Civil Liberties & the NLRB*. Int'l Juridical Assn. 15 p. '40.
- Haaland, Jasper. *Farmers and the War*. Workers Library. 23 p. '40.
- Hamlin, C. H. *Educators Present Arms*. Comm. on Militarism in Education. 47 p. '39.
- Huberman, Leo. *Labor Spy Racket*. Modern Age. New York. '37.
- Hudson, Roy. *The Growth of the Trade Unions*. Workers Library. 24 p. '41.
- Institute for Propaganda Analysis. *Mr. Dies Goes to Town*. 12 p. '40.
- Int'l Ladies Garment Workers Union.
Handbook of Trade Union Methods. 96 p. '37.
How to Conduct a Union Meeting. 19 p. '34.
- Int'l Juridical Assn. *Problems of the NLRB*. 66 p. '40.
- Int'l Workers Order. *Our Plan for Plenty*. 31 p. '40.
- Isserman, A. J. *The Sherman Act, Anti-Trust or Anti-Labor?* National Comm. for People's Rights. 23 p. '40.
- Johnson, Hewlett. Dean of Canterbury. *The Soviet Power*. Internat'l Publishers. New York. '41.
- Kingsbury, John A. *Health in Handcuffs*. Modern Age. New York. 210 p. '39.
- Labor Research Assn.
Labor Against War: Statements and Resolutions by Labor Groups Opposed to American Involvement in War. 20 p. '40.
Railroads in Crisis. 48 p. '39.
Trade Union Facts. 128 p. '39.
Youth Arsenal of Facts. 128 p. '39.
- League of American Writers.
Anti-War Bibliography. 16 p. '40.
We Hold These Truths. 126 p. '40.
- Lenin, V. I. *War and the Workers*. Internat'l Publishers. New York. 32 p. '40.
- Lewis, John L. *Equal Opportunity: Speech at Nat'l Negro Congress*. CIO Pub. No. 46. 15. '40.
- Maritime Federation of the Pacific. *Maritime Workers Demand a New Deal*. 38 p. '39.
- Marlin, Jeff. *Conscription and the War*. American Peace Mobilization. 16 p. '40.
- Murray, Philip. *Technological Unemployment*. Steel Workers Organizing Comm. 56 p. '40.
- Nat'l Labor Relations Board. Division of Economic Research. *Characteristics of 60 Company-Dominated Unions*. Memo No. 10. 8 p. '39.
- Nat'l Resources Comm. *The Structure of the American Economy*. U. S. Government Printing Office. 396 p. '39.
- Ober, Harry. *Trade Union Policy & Technological Change*. U. S. WPA National Research Project on Re-employment Opportunities. 120 p. '40.

Public Affairs Comm. *Why Women Work*. 32 p. '38.

Quin, Mike.

Ashcan the M.-Plan. Yanks Are Not Coming Comm. 24 p. '40.

The Yanks Are Not Coming. Yanks Are Not Coming Comm. 15 p. '40.

Ross, M. *A History of Soviet Foreign Policy*. Workers Library. New York. 80 p. '40.

Sloan, Pat. *Russia Without Illusions*. Modern Age. New York, '39.

Small, Sasha. *Civil Liberties in the U.S.A.: A Short History of the Origin and Defense of the Bill of Rights*. Workers Library. 63 p. '40.

Smith, Edwin S. *Civil Liberties & National Defense*. National Federation for Constitutional Liberties. Washington, D. C., 10 p. '40.

Steel Workers Organizing Comm. *Handling Grievances, A Handbook for Committeemen of Local Lodges of SWOC*. Pittsburgh. 24 p.

Steuben, John. *Labor in Wartime*. Internat'l Publishers. New York. '40.

Stewart, Maxwell S.

America's Children. Public Affairs Pamphlets. 32 p. '40.

Cooperatives in the United States. Public Affairs Pamphlets. '39.

Credit Unions—The People's Banks. Public Affairs Pamphlets. 31 p. '40.

Pensions After Sixty. Public Affairs Pamphlets. 32 p. '40.

Security or the Dole. Public Affairs Pamphlets. 31 p. '39.

Taylor, P. S. *Adrift on the Land*. Public Affairs Pamphlets. 31 p. '40.

Temporary Nat'l Economic Comm. *Agriculture and the National Economy*. Monograph No. 23. U. S. Government Printing Office. '40.

United Automobile Workers of Amer. *How to Win for the Union*. Detroit. 26 p.

United Electrical, Radio & Machine Workers of Amer. *Your Union at Work*. 33 p. '40.

U. S. Bureau of Labor Statistics. *Legislation Affecting Labor Relations*. U. S. Government Printing Office. Serial No. R1012. 5 p. '39.

U. S. Dept. of Labor, *List of American Trade Union Journals and Labor Papers*. 32 p. '41.

Ward, Estolv E. *Harry Bridges on Trial*. Modern Age. New York. '40.

Webb, J. N., & Bevis, J. C. *Facts About Unemployment*. WPA. 34 p. '40.

Weiss, Max. *Youth's Road to Peace and Security*. New Age Publishers. 46 p. '40.

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